CARIBBEAN MARKET OVERVIEW

April 2026

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Caribbean Market Review

Market Review

Chart 1: High Yield - 10Y Against Benchmark

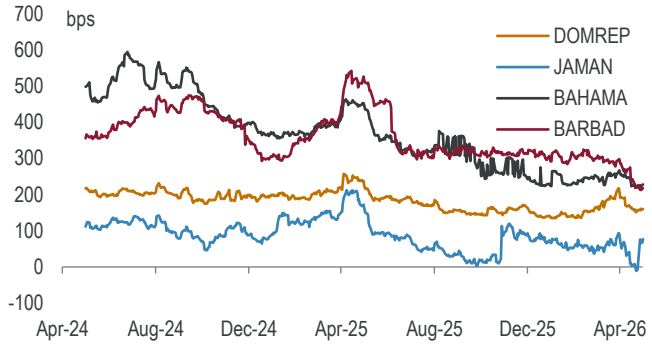
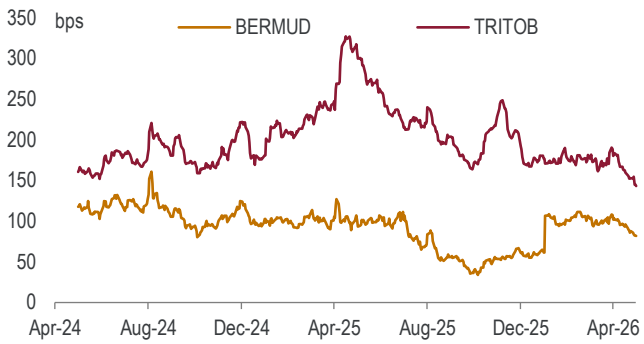
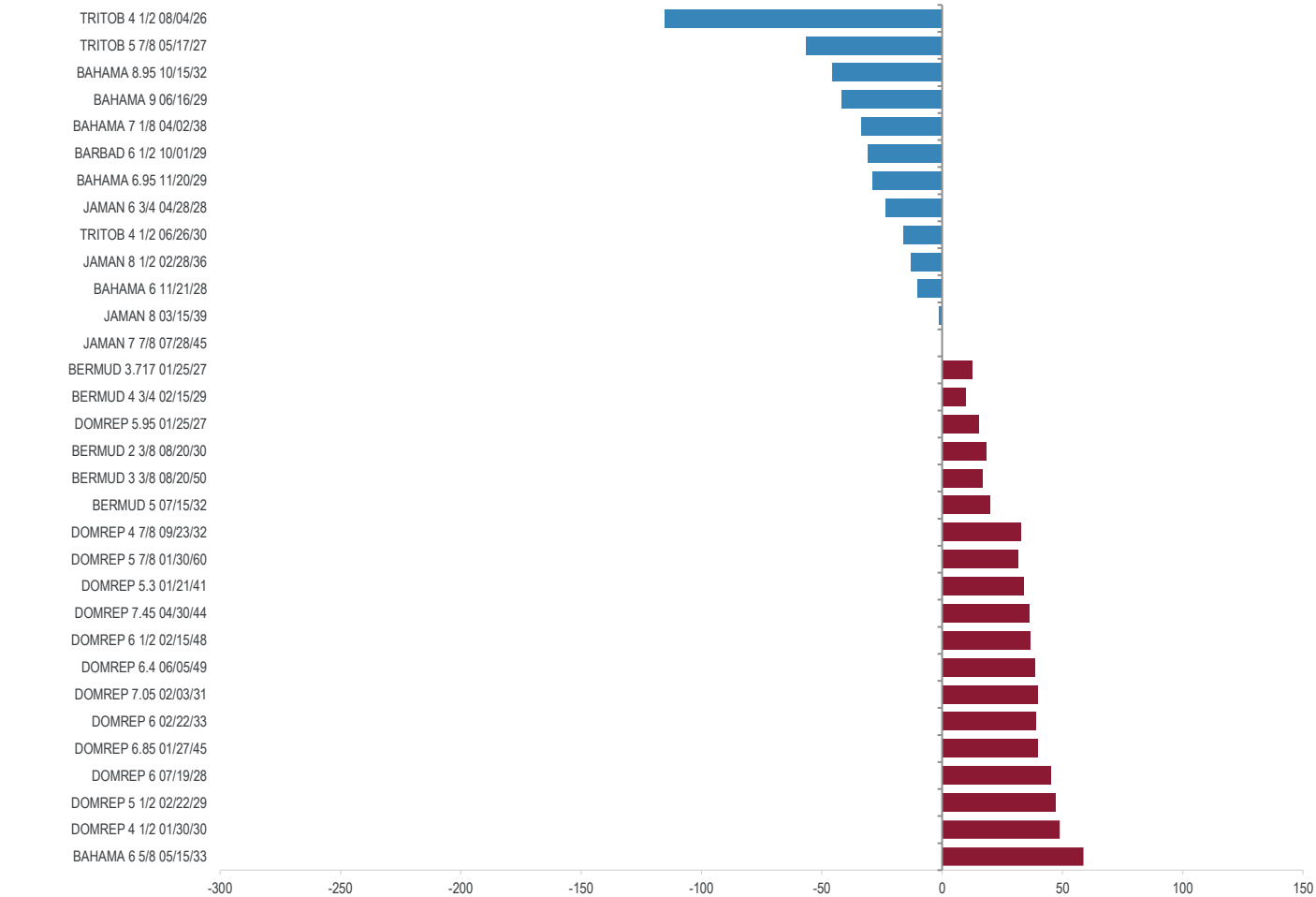


Chart 2: Investment Grade - 10Y Against Benchmark



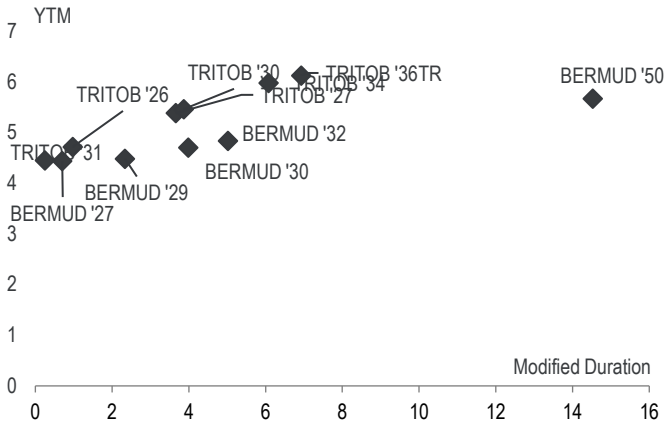
Source: Bloomberg and CIBC Capital Markets – FICC Strategy.
Bonds: BARBAD 6 ½ 10/01/29; DOMREP 6 02/22/33; JAMAN 6 3/4 04/28/28; BAHAMA 8.95 10/15/32; BERMUD 5 07/15/32; TRITOB 5.95 01/14/31

Chart 3: Caribbean Bonds Change in Yields Since Oct 31, 2025



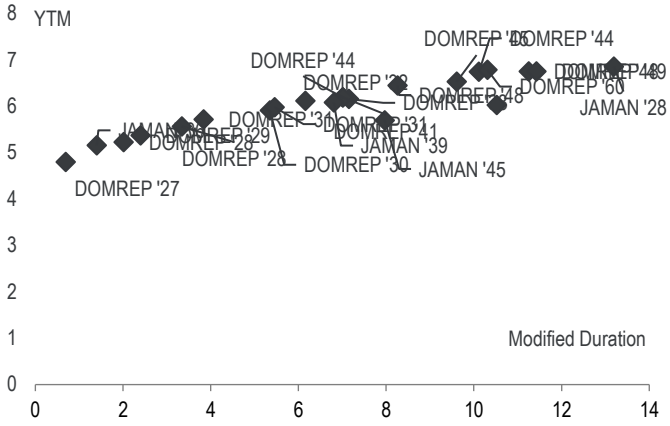
Source: Bloomberg (BVAL) and CIBC Capital Markets – FICC Strategy.

Chart 4: Caribbean – BERMUD and TRITOB



Source: Bloomberg and CIBC Capital Markets – FICC Strategy.

Chart 5: Caribbean – JAMAN and DOMREP

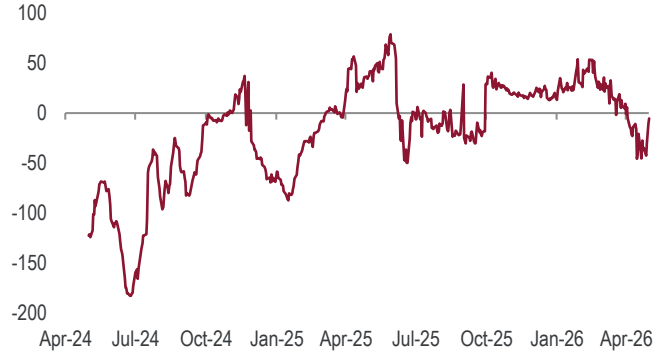


Source: Bloomberg and CIBC Capital Markets – FICC Strategy.

Chart 6: JAMAN 45s vs DOMREP 45s

Source: Bloomberg and CIBC Capital Markets – FICC Strategy.

Chart 7: BARBAD 29s vs BAHAMA 29s



Source: Bloomberg and CIBC Capital Markets – FICC Strategy.

Table 1: Public Sector Fiscal Accounts and Debt 2026 or 2026/27

	Primary Balance (% of GDP)	Fiscal Balance (% of GDP)	Gross Government Debt (% of GDP)	Real GDP Growth (%)
Antigua and Barbuda	1.4%	-0.6%	66.5%	2.6%
Aruba	5.4%	1.9%	60.3%	2.3%
The Bahamas	3.6%	-0.3%	70.2%	2.1%
Barbados	4.1%	-0.1%	89.5%	2.5%
Belize	1.1%	-1.5%	63.2%	2.2%
Bermuda	6.1%	4.8%	27.5%	2.0%
Cayman Islands	0.4%	0.1%	6.9%	2.2%
Dominica	1.0%	-1.0%	98.3%	3.1%
Dominican Republic	0.2%	-3.5%	58.3%	3.7%
Grenada	-3.3%	-5.1%	69.0%	3.1%
Guyana	-5.9%	-6.4%	29.2%	16.2%
Jamaica	0.6%	-4.9%	65.8%	-1.2%
St. Kitts and Nevis	-7.5%	-8.7%	64.0%	2.0%
St. Lucia	0.4%	-2.9%	77.5%	2.0%
St. Vincent and the Grenadines	-8.4%	-12.1%	120.1%	3.0%
Suriname	0.0%	-4.7%	87.1%	3.9%
Trinidad and Tobago	-0.8%	-4.6%	84.1%	0.8%

Sources: IMF, Standard and Poor's, Moody's, and CIBC Caribbean.

Table 2: Ratings of Caribbean Sovereigns (Updated Apr 30, 2026)

	S&P	Moody's
Aruba	A-	Baa3
The Bahamas	BB-	Ba3
Barbados	B+	B2
Belize	B-	Caa1
Bermuda	A+	A2
Cayman	NA	Aa3
Dominican Republic	BB	Ba2
Jamaica	BB	Ba3
Trinidad and Tobago	BBB-	Ba2
Turks and Caicos Islands	A-	NA

Sources: Standard and Poor's and Moody's.

Table 3: Rating Classifications

Investment Grade S&P	Investment Grade Moody's	High Yield S&P	High Yield Moody's
AAA	Aaa	BB+	Ba1
AA+	Aa1	BB	Ba2
AA	Aa2	BB-	Ba3
AA-	Aa3	B+	B1
A+	A1	B	B2
A	A2	B-	B3
A-	A3	CCC+	Caa1
BBB+	Baa1	CCC	Caa2
BBB	Baa2	CCC-	Caa3
BBB-	Baa3	CC	Ca

Table 4: Caribbean Bonds and Indicative Prices/Spreads (Updated April 30, 2026)

Bahamas

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
BAHAMA 6 11/21/28	100.35	5.85%	-10.48	202.43	BB-	Ba3	NA
BAHAMA 6.95 11/20/29	102.30	6.21%	-29.16	251.64	BB-	Ba3	NA
BAHAMA 9 06/16/29	108.13	6.09%	-41.82	218.33	BB-	Ba3	NA
BAHAMA 8.95 10/15/32	112.69	6.51%	-45.61	241.48	BB-	Ba3	NA
BAHAMA 6 5/8 05/15/33	93.83	7.78%	58.70	397.49	BB-	Ba3	NA
BAHAMA 8 1/4 06/24/36	112.15	6.59%	-49.31	257.23	BB-	Ba3	NA
BAHAMA 7 1/8 04/02/38	93.85	7.93%	-33.63	393.31	BB-	Ba3	NA

Barbados

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
BARBAD 6 1/2 10/01/29	100.58	6.31%	-31.04	244.95	B+	NA	B+
BARBAD 8 06/26/35	107.52	6.88%	-42.58	280.06	B+	NA	B+

Bermuda

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
BERMUD 3.717 01/25/27	99.49	4.44%	12.75	69.55	A+	A2	NA
BERMUD 4 3/4 02/15/29	100.68	4.48%	9.79	75.15	A+	A2	NA
BERMUD 2 3/8 08/20/30	91.03	4.70%	18.45	99.91	A+	A2	NA
BERMUD 5 07/15/32	100.85	4.84%	20.15	107.04	A+	NA	NA
BERMUD 3 3/8 08/20/50	69.91	5.67%	16.99	143.69	A+	A2	NA

Dominican Republic

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
DOMREP 5.95 01/25/27	100.80	4.80%	15.43	105.13	BB	Ba2	BB-
DOMREP 6 07/19/28	101.59	5.22%	45.45	150.65	BB	Ba2	BB-
DOMREP 5 1/2 02/22/29	100.33	5.37%	47.19	165.68	BB	Ba2	BB-
DOMREP 4 1/2 01/30/30	96.46	5.56%	48.92	186.14	BB	Ba2	BB-
DOMREP 7.05 02/03/31	105.48	5.71%	39.82	195.87	BB	Ba2	BB-
DOMREP 4 7/8 09/23/32	94.58	5.91%	32.82	212.00	BB	Ba2	BB-
DOMREP 6 02/22/33	100.12	5.98%	38.93	217.39	BB	Ba2	BB-
DOMREP 5 3/4 03/17/34	97.76	6.11%	NA	226.48	BB	Ba2	BB-
DOMREP 5 7/8 10/28/35	98.02	6.15%	27.26	223.93	BB	Ba2	BB-
DOMREP 6.6 06/01/36	103.02	6.19%	34.01	226.08	BB	Ba2	BB-
DOMREP 6.95 03/15/37	104.53	6.36%	28.65	239.92	BB	Ba2	BB-
DOMREP 6.15 05/17/38	97.54	6.44%	NA	242.86	BB	Ba2	BB-
DOMREP 5.3 01/21/41	88.51	6.53%	34.01	241.48	BB	Ba2	BB-
DOMREP 7.45 04/30/44	107.35	6.74%	36.13	259.16	BB	Ba2	BB-
DOMREP 6.85 01/27/45	100.66	6.79%	39.65	262.29	BB	Ba2	BB-
DOMREP 6 1/2 02/15/48	97.21	6.75%	36.73	255.97	BB	Ba2	BB-
DOMREP 6.4 06/05/49	95.94	6.75%	38.67	256.09	BB	Ba2	BB-
DOMREP 7.15 02/24/55	104.50	6.79%	29.44	261.95	BB	Ba2	BB-
DOMREP 5 7/8 01/30/60	87.21	6.85%	31.52	271.31	BB	Ba2	BB-

Jamaica

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
JAMAN 6 3/4 04/28/28	102.97	5.16%	-23.66	91.76	BB	Ba3	BB-
JAMAN 8 1/2 02/28/36	117.70	6.08%	-12.88	215.98	BB	Ba3	BB-
JAMAN 8 03/15/39	120.81	5.69%	-1.35	157.51	BB	Ba3	BB-
JAMAN 7 7/8 07/28/45	120.88	6.03%	-0.21	185.93	BB	Ba3	BB-

Trinidad and Tobago

Bond	Price	Yield	Yield Change*	Z-Spread	S&P	Moody's	Fitch
TRITOB 4 1/2 08/04/26	100.00	4.45%	-115.21	72.17	BBB-	Ba2	NA
TRITOB 5 7/8 05/17/27	101.15	4.72%	-56.66	97.92	BBB-	Ba2	NA
TRITOB 4 1/2 06/26/30	96.74	5.39%	-16.02	168.55	BBB-	Ba2	NA
TRITOB 5.95 01/14/31	101.98	5.46%	-52.02	173.76	BBB-	Ba2	NA
TRITOB 6.4 06/26/34	102.67	5.98%	-51.41	212.62	BBB-	Ba2	NA
TRITOB 6 1/2 01/28/36	102.69	6.13%	NA	220.98	BBB-	Ba2	NA

Source: Bloomberg (BVAL) and CIBC Capital Markets – FICC Strategy.

*Since October 31, 2025

Caribbean Economic Review

Tiffany Grosvenor-Drakes
CIBC Caribbean

The outbreak of war in the Middle East at the end of February 2026 disrupted the global economy's steady growth momentum which prevailed in 2025 despite dramatic trade policy shifts and persistent geopolitical tensions. The IMF estimates that global real GDP growth stabilized at 3.4% in 2025, following a similar expansion in 2024, as increased AI-related investment gains offset the adverse effects of shifting global trade dynamics. However, US-Israeli coordinated strikes on Iran's leadership and military assets rapidly escalated into a regional conflict, marked by Iranian attacks on Israel and US bases in the Gulf, the effective closure of the Strait of Hormuz, and counterstrikes on production facilities in Iran. The disruption of oil flows through this vital chokepoint triggered a sharp surge in prices, with Brent crude peaking at near US$120/barrel in March, before a modest easing following the April 8 ceasefire announcement. Above-target US inflation persisted into 2026, but accelerated to 3.3% y/y in March 2026, echoing the fuel price shock. After three consecutive cuts in late 2025, the Fed held interest rates steady since then, reflecting a cautious stance amid the higher energy prices and elevated geopolitical uncertainty. However, conditions remain fluid, with the ceasefire extended beyond the initial two-week period to support ongoing negotiations.

Caribbean economies generally continued to expand in 2025, with growth moderating as the post-pandemic rebound matured. While tourism continued to anchor the expansion, construction activity emerged as the primary engine of growth where capacity and source-market uncertainty limited the tourism outturn. Stay-over arrivals to the region[1] increased by 0.3% in 2025, a sharp deceleration from 7.4% growth one year earlier. Similarly, outbound travel from the US – the region's largest source market – posted a flat performance following a robust 9.2% expansion in 2024. However, the outturn masked an uneven performance across the region as declines in Antigua and Barbuda, The Bahamas, Jamaica, Grenada, St. Lucia, and Turks and Caicos Islands largely offset gains elsewhere. Exceptionally, arrivals to Jamaica fell 10.3%, driven by a 41% contraction in Q4 in the aftermath of Hurricane Melissa. Latest available year-to-date data indicate a broadly positive performance across most territories, but arrivals to Jamaica diverged, collapsing 31.4% y/y at February 2026. Cruise passenger arrivals to the region[1] climbed 8.8% in 2025 with The Bahamas accounting for two-thirds of the expansion, though declines in Antigua and Barbuda, Cayman Islands, Jamaica, and St. Lucia tempered the overall increase. Higher energy output, supported by the start-up of two new gas fields in Q2, led to a modest uptick in economic activity in Trinidad and Tobago over the first nine months of the year. In contrast, Guyana remained a clear outlier, recording a sixth consecutive year of double-digit growth, propelled by burgeoning oil production.

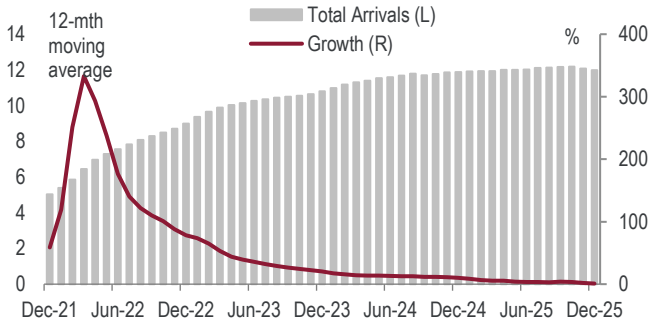
Regional Indicators

Stay-over Arrivals
2025
▲ 0.3%

Cruise Arrivals
2025
▲ 8.8%

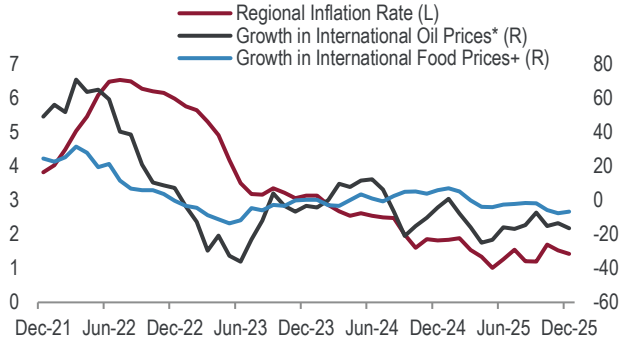
Consumer Prices
Dec 2025 (y/y)
▲ 1.6%

Chart 1: Trends in Regional[1] Stay-over Arrivals (mln)



Source: Regional authorities and CIBC Caribbean.

Chart 2: Regional[2] Inflation and Intl. Commodity Prices (y/y; %)



Source: Regional authorities, International Monetary Fund and CIBC Caribbean.
* Average of U.K. Brent, Dubai Fateh, and West Texas Intermediate + International Monetary Fund Food and Beverage Index.

[1] Caribbean region includes Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Curaçao, Dominica, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia, St. Maarten and St. Vincent and the Grenadines, Trinidad and Tobago and Turks and Caicos Islands.

[2] Caribbean region includes Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, Cayman Islands, Curaçao, Dominica, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia, St. Maarten, St. Vincent and the Grenadines and Trinidad and Tobago.

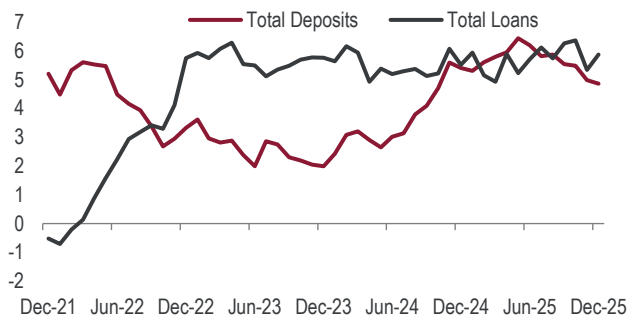
Regional inflation remained modest in 2025 in line with easing global commodity price pressures. Average inflation[2] decelerated to 1.6% y/y in December 2025 from 1.9% y/y one year earlier, reflecting slower growth in all markets except Barbados, Curaçao, and the Dominican Republic. In the immediate aftermath of Hurricane Melissa, Jamaica's inflation rate spiked from below the Bank of Jamaica's (BOJ) 4% to 6% target range fuelled by higher agricultural prices, but eased since then as supply conditions improved. Accordingly, the BOJ lowered its policy rate by 25bps in February 2026 to support the economic recovery but opted not to adjust it in March given the heightened uncertainty and increased volatility in global commodity markets.

Sovereign risk profiles in the Caribbean generally improved in 2025, though public debt ratios remained elevated in most territories. Several governments secured sovereign credit rating upgrades including Aruba, The Bahamas, Barbados, Dominican Republic, Jamaica and the Turks and Caicos Islands. In December, following Hurricane Melissa, Moody's upgraded Jamaica's rating from 'B1' to 'Ba3' with a stable outlook assessing that while the storm weakened short-term metrics, underlying credit fundamentals remained intact. Meanwhile, S&P Global Ratings affirmed Jamaica's 'BB' rating, but revised the outlook from 'positive' to 'stable' signaling a reduced likelihood of a near-term upgrade. Most recently, in April, Moody's upgraded The Bahamas sovereign credit rating from 'B1' to 'Ba3' assigning a stable outlook, citing sustained fiscal consolidation that has placed public debt on a downward trajectory. In contrast, in December, Moody's affirmed Trinidad and Tobago's 'Ba2' rating, but revised the outlook to negative – following similar action by S&P Global Ratings in September – citing rising foreign exchange liquidity risks amid delays in restoring energy output. Further, fiscal positions across parts of the Eastern Caribbean Currency Union weakened, reflecting increased spending on public investment and post–Hurricane Beryl reconstruction, alongside sharp declines in Citizenship by Investment inflows.

International reserves of most territories increased and/or remained elevated over the most recent 12-month period. In Trinidad and Tobago, local FX market conditions remained constrained with Central Bank interventions contributing to the long-term erosion of FX reserves. However, reserves increased recently supported by the stabilization of energy export earnings and a temporary uplift from a US$1bln sovereign bond issuance in January 2026. Banks' loan growth sustained a strong performance, while deposit growth moderated, and asset quality and profitability improved in most markets.

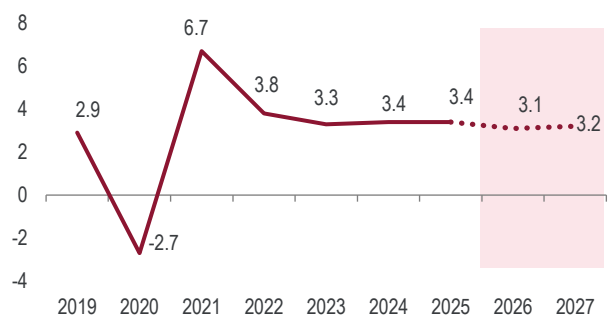
In its April 2026 World Economic Outlook (WEO), the IMF lowered its global real GDP growth forecast, cautioning that the outlook is contingent on the Middle East conflict remaining contained in scale and duration. Global growth is now projected to slow from 3.4% in 2025 to 3.1% in 2026, before a slight pick-up to 3.2% in 2027. US real GDP growth was also revised downward but is still projected to pick up pace from 2.1% in 2025 to 2.3% in 2026 reflecting carryover from a stronger-than-anticipated outturn in 2025. Higher global energy prices linked to the war have interrupted the previously expected decline in inflation in advanced economies, with US inflation now projected to increase from 2.7% in 2025 to 3.2% in 2026, before subsiding to 2.1% in 2027. Economic activity in the Caribbean is projected to continue to advance moderately in 2026 and 2027, accompanied by a modest upturn in inflation, in line with higher energy prices and higher US inflation. In Trinidad and Tobago, medium-term prospects appear more favourable linked to new projects expected to become operational in 2027. Also, in February 2026, the US issued new licenses to allow the twin-island republic to pursue oil and gas activities in Venezuela, following the revocation of previous licenses in April 2025. However, the heightened uncertainty surrounding the war in Iran poses material risks to both the global and regional outlooks. A collapse of the current ceasefire could escalate and prolong hostilities driving global energy prices even higher. A sustained rise in shipping costs due to war-risk premiums and re-routing, could also raise the cost of food and other imports, intensifying spillovers for regional inflation and growth, with potential adverse implications for fiscal positions.

Chart 3: Regional[3] Loan and Deposit Growth (y/y; %)



Source: Regional authorities and CIBC Caribbean.

Chart 4: Global Real GDP Growth (%)



Source: International Monetary Fund and CIBC Caribbean.

[3] Caribbean region includes, Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, Cayman Islands, Curaçao, Dominica, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia, Sint. Maarten, St. Vincent and the Grenadines, Trinidad and Tobago and Turks and Caicos Islands.

Caribbean Economic Performance Updates (Latest)

Real GDP (%)

2025	Guyana	19.3
Q3-25	Curaçao	5.7
2025	TCI	4.5
2025	Dominica	4.5
2025	Grenada	4.4
2025	Aruba	3.9
Q3-25	St. Maarten	3.5
2025	St. Vincent	3.4
2025	Antigua	3.0
2025	Bahamas	2.8
H1-25	Cayman	2.7
2025	St. Kitts	2.7
2025	Belize	2.7
2025	Dom. Rep.	2.1
Q1-26	Barbados	1.7
2025	St. Lucia	1.7
Q3-25	Trinidad	0.1
2025	Jamaica	0.0

Unemployment (%)

Q3-25	St. Lucia	12.1
Q2-25	Grenada	10.8
Q1-25	Bahamas	9.3
2024	St. Maarten	7.9
2024	Curaçao	7.8
Q4-25	Barbados	7.2
2024	TCI	5.5
Q4-25	Dom. Rep.	5.0
2024	Aruba	4.3
Q4-25	Trinidad	4.3
Q1-26	Jamaica	3.6
Fall-24	Cayman	2.4
Sep-25	Belize	1.9
	St. Kitts	n.a.
	Dominica	n.a.
	St. Vincent	n.a.
	Antigua	n.a.
	Guyana	n.a.

Inflation (y/y; %)

Feb-26	Dom. Rep.	4.7
Mar-26	Jamaica	3.9
Feb-26	Guyana	2.9
2025	TCI	2.5
Dec-25	St. Kitts	1.4
Feb-26	Barbados	1.3
Q4-25	Cayman	1.3
Jul-25	Bahamas	1.3
Feb-26	St. Vincent	1.0
Feb-26	Curaçao	0.9
Feb-26	Belize	0.7
Feb-26	Aruba	0.7
Feb-26	Trinidad	0.6
Dec-25	Grenada	0.6
Q4-25	St. Maarten	0.4
Dec-25	St. Lucia	0.3
Dec-25	Dominica	0.3
Feb-26	Antigua	-1.3

Stay-over Arrivals[4] (%)

Dec-25	Dominica	18
Dec-25	St. Vincent	17
Dec-25	St. Maarten	16
Feb-26	Cayman	12
Feb-26	Dom. Rep.	10
Feb-26	Grenada	10
Feb-26	Aruba	9
Feb-26	Curaçao	8
Feb-26	TCI	6
Jan-26	Antigua	5
Feb-26	Bahamas	5
Mar-26	Barbados	3
Dec-25	St. Kitts	3
Feb-26	St. Lucia	3
Feb-26	Belize	0
Mar-26	Trinidad	-1
Feb-26	Jamaica	-31
	Guyana	n.a.

Cruise Arrivals[4] (%)

Mar-26	Barbados	30
Dec-25	St. Kitts	21
Feb-26	Bahamas	21
Dec-25	St. Maarten	16
Feb-26	Curaçao	16
Feb-26	Dom. Rep.	10
Feb-26	Aruba	9
Dec-25	Dominica	9
Dec-25	St. Vincent	3
Feb-26	Belize	-3
Feb-26	Cayman	-3
Feb-26	Grenada	-3
Dec-25	Antigua	-4
Feb-26	Jamaica	-6
Dec-25	St. Lucia	-8
Feb-26	TCI	-20
	Dom. Rep.	n.a.
	Aruba	n.a.

Public Debt (% of GDP)

Dec-25	St. Vincent	103
Dec-25	Dominica	98
Mar-26	Barbados	95
Dec-25	Trinidad	85
Dec-25	Bahamas	77
Sep-25	St. Lucia	76
Sep-25	Grenada	75
Feb-26	Belize	70
Dec-25	Antigua	65
Dec-25	Aruba	64
Sep-25	Curaçao	61
Dec-25	Jamaica	61
Dec-25	Dom. Rep.	58
Sep-25	St. Kitts	51
Sep-25	St. Maarten	40
Dec-25	Guyana	28
Sep-25	Cayman	6
Jun-25	TCI	0

[4] Annual or year-to-date (relative to prior year) growth.

Antigua and Barbuda

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Jan 2026 (y-t-d)	Cruise Arrivals Dec 2025 (y-t-d)	Inflation Feb 2026 (y/y)	Debt/GDP Dec 2025
3.0%	4.9%	-4.1%	-1.3%	64.7%

Production, Prices, and Employment

The IMF's latest estimates suggest that the pace of economic expansion in Antigua and Barbuda strengthened from 2.5% in 2024 to 3.0% in 2025, bolstered by a pick-up in construction activity.

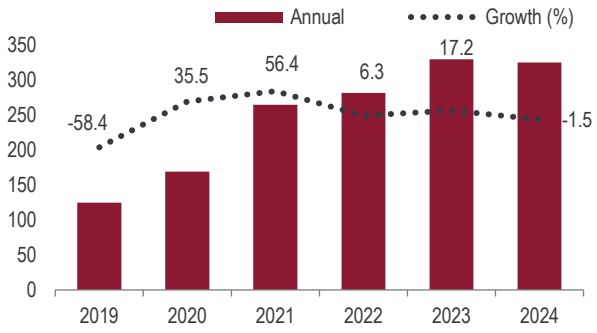
Following a robust performance in 2024, tourism activity posted a weak outturn. Stay-over arrivals dipped 1.5% in 2025 despite an upswing from the two largest source markets, the US (up 1.3%) and the UK (up 0.6%). Arrivals from Canada and the Caribbean declined 10.7% and 5.7%, respectively, while arrivals from other countries fell 10.6%. Cruise passenger arrivals also fell, contracting 4.1% in 2025, even with a 0.7% uptick in ship calls. Conversely, yacht passenger arrivals rose 3.9% during the year.

Greater private sector investment, largely tourism-related, coupled with public sector infrastructural development projects, including rehabilitation of the airport runway and major road works, bolstered construction activity.

Since then, stay-over arrivals rose 4.9% y/y in January 2026.

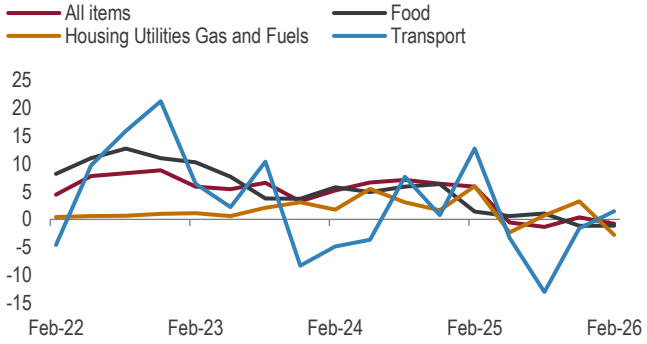
Consumer prices fell 0.8% y/y in February 2026, after increasing by 5.9% y/y one year earlier. The price of food and non-alcoholic beverages fell 1.1% y/y, while the price of housing and utilities declined 2.8% y/y, but the price of transport increased 1.5% y/y.

Chart 1: Stay-Over Tourist Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



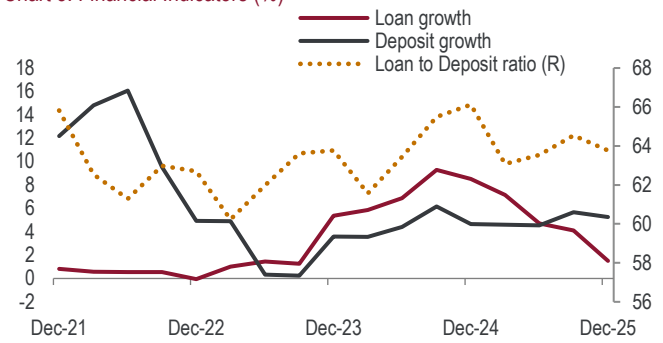
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit growth moderated to 1.5% in 2025, following an 8.5% expansion one year earlier. Balances to the corporate sector nudged upward 0.9%, as loans to the public sector increased 7.9%, but lending to private business firms dipped 1.4%. Personal loans increased 2.5% buttressed by a 3.6% expansion in consumer loans, and 2.0% upturn in residential mortgages. Banks' deposit balances climbed 5.3% y/y at December 2025, a slight quickening relative to 4.6% in 2024. Personal deposit holdings drove the expansion, increasing 6.6%, while balances of corporate clients rose 4.4%. As the result, the loan-to-deposit ratio fell 2.4 percentage points y/y to 63.8% at December 2025.

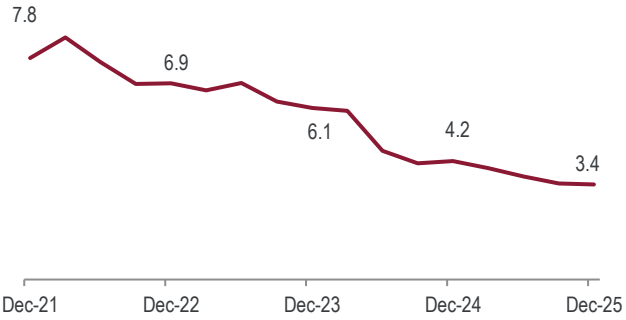
Banks' (local currency) weighted average loan rate rose 13bps y/y to 6.58% at December 2025, while the corresponding deposit rate increased 2bps y/y to 1.38%. Asset quality continued to improve with the non-performing loan ratio declining from 4.2% in December 2024 to 3.4% in December 2025, but bank profitability remained virtually flat with an annualised return on average assets of 1.4% in Q4 2025. The capital adequacy ratio of the banking system improved from 18.7% at December 2024 to 21.2% at December 2025, remaining well above the prudential benchmark of 8%.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

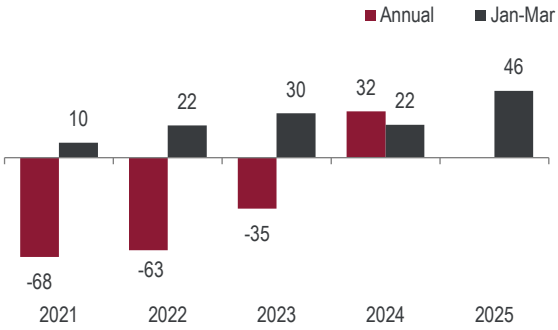
Data on fiscal operations after Q1 2025 remained unavailable up to publication time.

Increased revenue collections outpaced an uptick in public spending broadening the Government's fiscal surplus by US$23.3mln to US$45.8mln over the first three months of 2025.

- Current revenue expanded US$29.9mln (28.6% y/y) boosted by a US$23.9mln upswing in tax receipts. Taxes on income and profits climbed US$11.9mln (101.5% y/y) largely on account of corporate receipts, while taxes on goods and services rose US$8.4mln (16.7% y/y), US$5.9mln of which related to the sales tax (ABST). Taxes on international trade and transactions rose US$2.6mln (9.3% y/y), while property taxes increased US$1.0mln to US$3.1mln. Meanwhile, non-tax revenue rose US$4.1mln, buttressed by a US$4.9mln pick-up in Citizenship by Investment (CBI) inflows. Capital revenue increased US$1.9mln to US$2.2mln during the quarter.
- Public spending increased US$6.6mln (8.0% y/y), primarily on account of greater current spending. Higher outlays for transfers and subsidies (up US$6.4mln), goods and services (up US$3.7mln) and personal emoluments (up US$3.2mln) eclipsed a US$6.9mln reduction in interest payments. Capital spending nudged upward US$0.3mln to US$0.4mln.

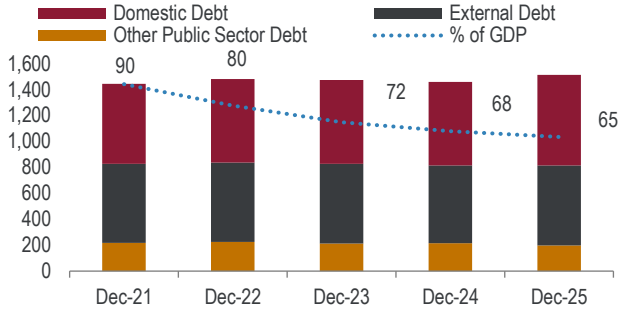
Central Government debt rose US$69.0 since December 2024 to US$1.31bln at December 2025, while debt of public corporations fell US$15.0mln to US$199.4mln. Total public sector debt stood at US$1.51bln (64.7% of GDP) at December 2025.

Chart 5: Fiscal Balance (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Outlook

The IMF projects that economic growth in Antigua and Barbuda will continue, but moderate to 2.6% in 2026. A rebound of visitor arrivals is expected to sustain the expansion, supported by greater room capacity, enhanced port facilities and the hosting of regional events, including the Commonwealth Heads of Government Meeting in November. Increased construction activity is also expected to continue to underpin growth. IMF estimates suggest that following an improved 3.1% of GDP fiscal surplus in 2025, Government's fiscal balance is expected to weaken to a 0.6% of GDP deficit in 2026, but does not account for the announcement of a temporary reduction in the ABST rate from 17% to 7%. Public debt is projected to improve to 60% of GDP by 2030, but ongoing validation of outstanding domestic arrears could lead to upward revisions, while high financing needs remain a concern. Further, the ongoing war in the Middle East poses a threat to inflation and growth dynamics in Antigua and Barbuda, primarily through higher energy prices and risks to tourism demand, though the severity of impact remains contingent on the duration and magnitude of the conflict.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	8.2	8.5	3.9	2.5	3.0	2.6	2.4
Inflation[1]	1.6	7.5	5.1	6.2	1.4	2.6	2.1
Primary Balance/GDP	-2.3	-0.3	0.5	4.0	4.9	1.4	0.9
Fiscal Balance/GDP	-4.5	-2.9	-1.7	1.6	3.1	-0.6	-1.1
Government Debt/GDP	93.0	82.4	74.5	71.8	69.7	66.5	65.2
External Current Account/GDP	-17.6	-15.1	-12.9	-7.5	-11.6	-11.8	-11.3
Nominal GDP (US$ bln)	1.6	1.9	2.1	2.2	2.3	2.4	2.5

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

Aruba

Summary of Key Performance Updates

Stay-over Arrivals Feb 2026 (y-t-d)	Cruise Arrivals Feb 2026 (y-t-d)	Inflation Feb 2026 (y/y)	FX Reserves Feb 2026	Debt/GDP Dec 2025
9.0%	9.2%	0.7%	42 weeks	64.3%

Production, Prices, and Employment

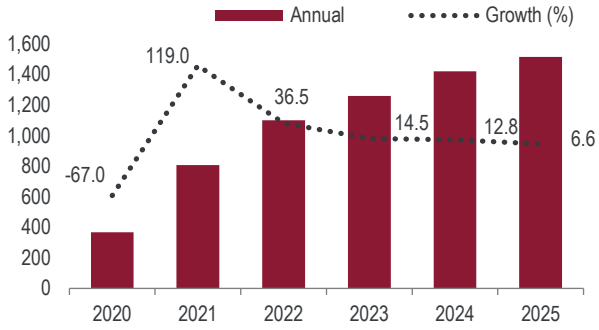
The Centrale Bank van Aruba (CBA) estimates that following a 6.8% expansion in 2024, real economic activity broadened 3.9% in 2025, largely sustained by growing tourism output.

Stay-over arrivals to Aruba rose 6.6% in 2025, though a slight dip in the average length-of-stay, resulted in a more moderate 5.1% expansion in visitor nights. All major markets posted a positive outturn, with arrivals from the US, accounting for 75% of the total, increasing 2.8%, while arrivals from Latin America and Canada, representing 15% and 5%, climbed 27.2% and 11.7%, respectively. Arrivals from Europe also rose, up 2.7%, partly driven by a 2.5% y/y upswing from the Netherlands. Meanwhile, cruise passenger arrivals advanced 8.2% in 2025, consistent with an 8.4% y/y rise in vessel calls.

Since then, tourism activity likely continued to expand during January to February 2026. Stay over arrivals rose 9.0% y/y during the two-month period, reflected in an 8.9% increase in visitor nights, while cruise visitor arrivals climbed 9.2% y/y coinciding with a 20.2% upswing in ship calls.

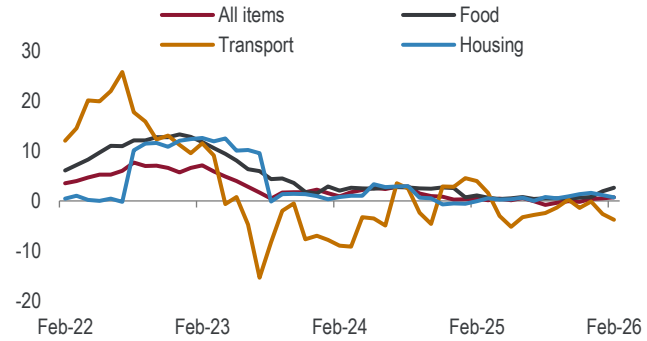
Inflation remained modest at 0.7% y/y in February 2026 relative to 0.5% y/y one year earlier. The prices of food rose 2.7% y/y, while the price of housing nudged upward 0.7% y/y, but the price of transport declined 3.7% y/y.

Chart 1: Stay-over Arrivals (000's)



Source: Centrale Bank van Aruba and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



Source: Centrale Bank van Aruba and CIBC Caribbean.

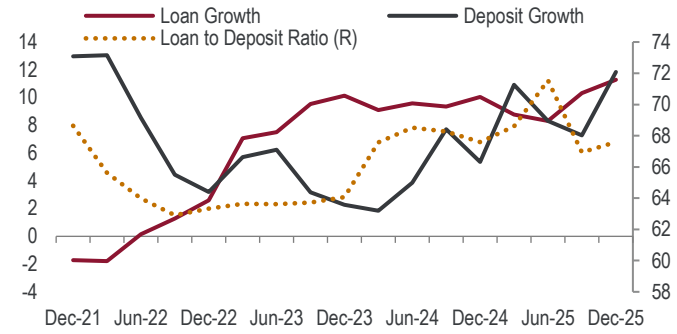
Developments in Financial Markets

Commercial banks' credit growth strengthened to 11.3% in 2025, on the heels of a 10.0% expansion in 2024. Personal loans climbed 13.8% propelled by higher balances of both mortgages (up 13.0%) and consumer loans (up 18.2%), while loans to private business firms rose 5.5%. Deposit growth also accelerated, with balances increasing 11.8% y/y at December 2025, from 5.4% one year earlier. Time deposits expanded 25.0%, while holdings of demand and savings deposits both increased 8.4%. As a result, the loan-to-deposit ratio fell marginally (0.4 percentage points) y/y to 71.2% at December 2025.

Banks' weighted average interest spread narrowed y/y at December 2025, as loan rate fell 20bps y/y to 6.0% at December 2025, and the deposit rate rose 20bps y/y to 3.3%.

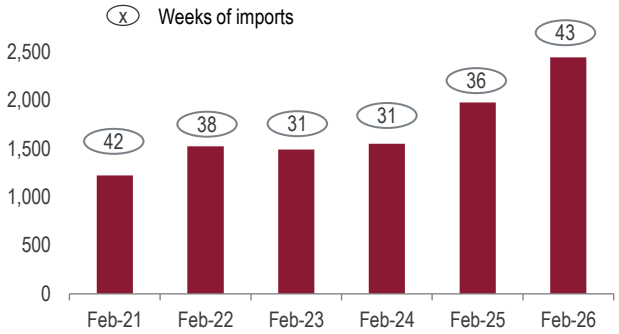
FX reserves at the Centrale Bank van Aruba (CBA) climbed higher supported by the tourism expansion. Reserve balances rose US$467.0mln (23.6% y/y) to US$2.45bln at February 2026, representing approximately 43 weeks of imports of goods and services.

Chart 3: Financial Indicators (%)



Source: Centrale Bank van Aruba and CIBC Caribbean.

Chart 4: Net Foreign Assets (US$ mln)



Source: Centrale Bank van Aruba and CIBC Caribbean.

Fiscal Operations and Debt

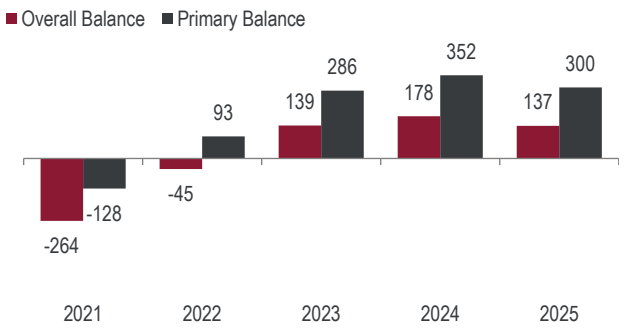
Government's overall financial surplus narrowed to US$137.4mln in 2025 from US$178.2mln in 2024, while the primary surplus slipped from US$352.2mln to US$300.4mln.

- Revenue collections rose US$14.5mln (1.4% y/y) as a US$17.2mln (13.7% y/y) dip in non-tax receipts partly offset a US$31.6mln (3.4% y/y) increase in tax receipts. Turnover tax receipts advanced US$20.3mln (9.2% y/y), while taxes on commodities and services rose US$14.1mln (6.5% y/y) and US$7.1mln (9.4% y/y), respectively. However, property taxes declined US$4.7mln (5.8% y/y), while collections commodities and foreign exchange fell US$2.7mln (1.0% y/y) and US$2.6mln (6.3% y/y), respectively.
- Public spending expanded US$55.1mln (6.4% y/y) largely driven by higher outlays for transfers and subsidies (up US$39.1mln), wages (up US$12.6mln) and wage subsidies (up US$10.0mln). Employers' contributions and investment rose US$2.5mln (4.7% y/y) and US$2.8mln (25.9% y/y), respectively, but payments for goods and services and interest fell US$12.2mln (6.3% y/y) and US$11.1mln (6.4% y/y), respectively.

Government's debt declined US$78.6mln y/y to US$2.86bln (64.3% of GDP) at December 2025. Domestic debt fell US$10.4mln to US$1.13bln, while external debt fell US$68.2mln to US$1.73bln.

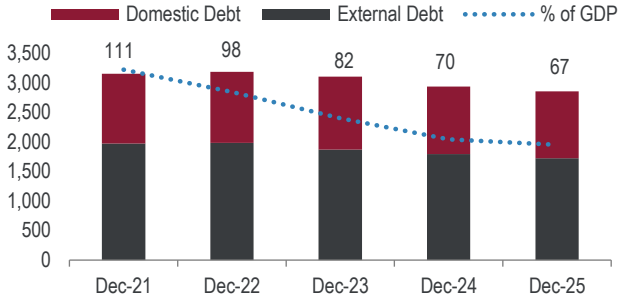
On April 8, Standard and Poor's upgraded Aruba's sovereign credit rating from 'BBB+' to 'A-' with a stable outlook, citing the improved fiscal profile and falling debt position.

Chart 5: Financial Balance (US$ mln)



Source: Centrale Bank van Aruba and CIBC Caribbean.

Chart 6: Government Debt (US$ mln)



Source: Centrale Bank van Aruba and CIBC Caribbean.

Outlook

Aruba's economic expansion is projected to slow further in 2026. The IMF's latest projections suggest that real GDP growth will slow to 2.3% in 2026 and 2.0% in 2027. The CBA anticipates that the moderating tourism expansion will continue to support growth, but that a sharp drop in private investment is likely to overshadow an expected increase in public investment. Average inflation is projected to pick up pace in 2026, mostly on account of higher imported US inflation, but remain modest. Government's 2026 Budget remains compliant with the fiscal rule and its domestic Financial Supervision Law, but envisions a more expansionary fiscal stance. Yet, the IMF estimates that the fiscal surplus will remain around 1.9% of GDP, while public debt-to-GDP is projected to remain on a downward trajectory. However, prolonged uncertainty in the global economic environment, mostly related to the conflict in the Middle East, could push inflation even higher and weigh on Aruba's growth prospects.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	14.7	10.6	8.9	7.6	5.6	2.3	2.0
Inflation[1]	0.7	5.5	3.4	1.7	0.1	1.2	2.0
Unemployment Rate	8.8	4.3	4.0	4.3	3.6	4.3	4.3
Primary Balance/GDP	-5.2	3.6	6.8	7.7	5.6	5.4	4.6
Fiscal Balance/GDP	-9.9	-0.5	3.0	3.7	1.9	1.9	1.1
Government Debt/GDP	109.7	96.1	80.3	68.6	63.6	60.3	57.5
External Current Account/GDP	-2.3	6.4	5.4	9.6	7.7	6.5	5.8
Nominal GDP (US$ bln)	2.9	3.3	3.9	4.3	4.5	4.7	4.9

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

The Bahamas

Summary of Key Performance Updates

Air Arrivals Feb 2026 (y-t-d)	Sea Arrivals Feb 2026 (y-t-d)	Inflation July 2025 (y/y)	FX Reserves Feb 2026	Debt/GDP Dec 2025
4.7%	20.6%	1.3%	21 weeks	77.1%

Production, Prices, and Employment

The IMF's latest estimates suggest that real economic growth in The Bahamas moderated from 3.4% in 2024 to 2.8% in 2025. While cruise tourism continued to post robust gains, accommodation capacity constraints alongside reduced demand from the US, hampered the stay-over segment.

Following a 0.2% dip in 2024, air arrivals fell 1.6% in 2025. Arrivals to Grand Bahama increased 19.7%, but arrivals to New Providence, representing 76% of the total, declined 2.2%, while arrivals to Family Islands fell 1.0%. Similarly, total departures (net of domestic passengers) were lower by 2.1%, with departures to the US (around 87% of the total) down 3.5%, but non-US departures up 6.8%. Conversely, sea arrivals, mostly cruise passenger arrivals, climbed 13.8% in 2025, sustaining a strong growth momentum.

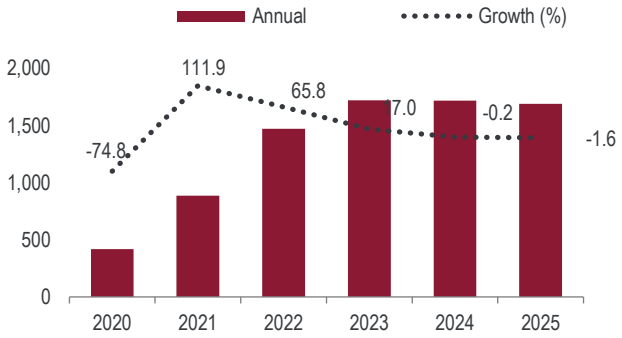
Preliminary indicators suggest that construction output also supported economic activity. Ongoing FDI-financed investment projects likely supported output, while commercial bank-funded domestic private sector activity also improved during the year. On the domestic front, mortgage disbursements reported by banks, insurance companies and the Bahamas Mortgage Corporation rose 1.9% as commercial disbursements fell 4.9%, but residential disbursements which accounted for 84% of the total, rose 3.3%. However, the volume of mortgage commitments for new buildings and repairs, an indicator of forthcoming activity, fell by 1.3% y/y, while the corresponding value declined 7.8% y/y at the end of Q4.

Since then, air arrivals increased 4.7% y/y during January to February 2026, while sea arrivals continued to expand, growing 20.6% y/y over the two-month period.

The unemployment rate increased to 9.3% in Q2 2025 relative to 8.7% in Q2 2024, partly reflecting an uptick in labour force participation.

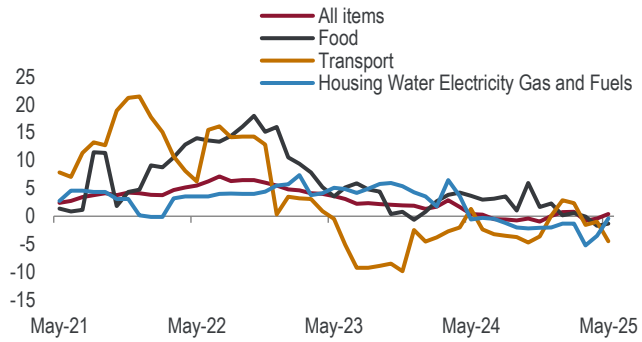
Latest official data indicate that consumer prices rose 1.3% y/y in July 2025, after declining by 0.5% y/y one year earlier.

Chart 1: Air Arrivals (000's)



Source: Bahamas Ministry of Tourism and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



Source: Central Bank of The Bahamas, Bahamas National Statistical Institute, and CIBC Caribbean.

Developments in Financial Markets

Banks' domestic credit growth moderated to 3.9% in 2025 following a 4.5% expansion one year earlier. Corporate loans climbed 8.8%, propelled by a 17.4% increase in balances to private businesses entities with increased credit largely concentrated in the transport, construction, distribution, and professional services' sectors. However, loans extended to the public sector contracted 7.2%, with a 6.4% decline specifically to central government. Loans to individuals rose 2.0% reflecting a 2.6% increase in consumer lending and a 1.4% uptick residential mortgages. Local currency-denominated deposits at banks climbed 7.2% primarily on account of higher balances of private corporate entities and individuals, while deposits held by the public financial institutions fell. Foreign currency deposits, mostly held by non-residents, rose 19.2%.

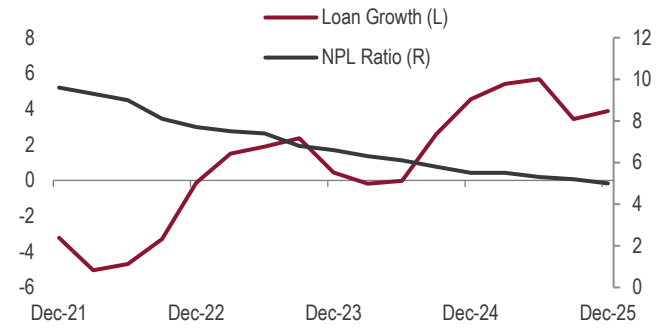
Excess liquidity in commercial banks narrowed during the year but remained high. Local excess cash reserves dipped US$35.3mln (1.9% y/y) to US$1.83bln at December 2025, representing 19.4% of local currency deposits. However, surplus liquid assets increased US$123.9mln y/y to US$3.14bln, almost double the statutory minimum.

Banks' weighted average loan rate declined 14bps y/y to 11.65%, but the corresponding deposit rate rose 37bps y/y at 0.77%, reducing the average interest spread 51bps y/y at December 2025.

Loan quality continued to improve. Private sector non-performing loan balances fell 5.5% y/y at February 2026 contributing to a 0.5 percentage point improvement in the ratio to 4.9%. Banks' provisions to non-performing loans increased from 87.6% to 89.4%.

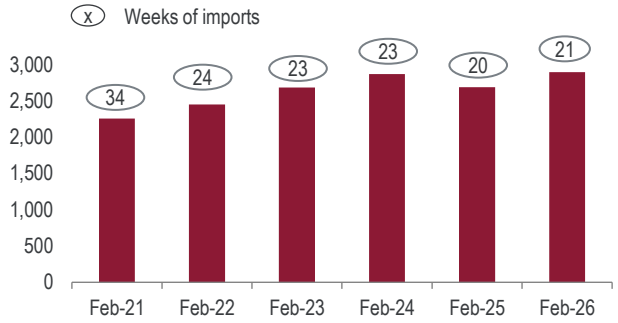
FX reserves at the Central Bank of Bahamas increased US$204.4mln (7.6% y/y) to US$2.90bln at February 2026 representing approximately 21 weeks of imports of goods and services.

Chart 3: Financial Indicators (%)



Source: Central Bank of The Bahamas and CIBC Caribbean.

Chart 4: External Reserves (US$ mln)



Source: Central Bank of The Bahamas and CIBC Caribbean.

Fiscal Operations and Debt

Government's fiscal deficit improved US$25.3mln to US$342.4mln over the first six months of FY2025/26 ended December 2025. Increased tax collections outweighed an upswing in current spending.

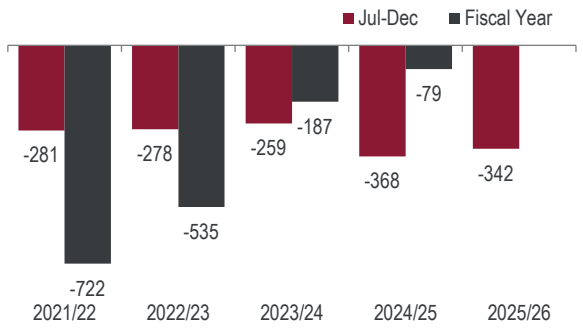
- Revenue increased US$66.3mln (4.6% y/y) primarily on account of a US$54.1mln (4.2% y/y) expansion in tax receipts, while non-tax receipts rose US$11.3mln (7.6% y/y), largely reflecting a US$14.4mln increase in income from the sale of goods and services. Taxes on goods and services climbed US$75.1mln propelled by a US$72.1mln hike in VAT receipts, but collections on international trade and transactions and property fell US$18.4mln (4.5% y/y) and US$4.9mln (7.1% y/y). Other taxes rose US$10.6mln.
- Expenditure rose US$10.9mln (0.6% y/y), as current spending expanded US$39.2mln (2.4% y/y), but capital outlays fell US$28.3mln (12.9% y/y). Personal emoluments rose US$22.3mln (9.3% y/y) while payments for social assistance and pensions, interest, and subsidies rose US$5.6mln (4.8% y/y), US$3.9mln (1.2% y/y) and US$10.2mln (4.8% y/y), respectively. However, outlays for goods and services fell US$16.0mln (4.6% y/y). Other spending rose US$17.3mln.

Central Government debt increased US$637.7mln during the six-month period to US$12.41bln (75.1% of GDP) at December 2025, suggesting a front-loading of borrowing activity. Domestic debt climbed US$445.4mln to US$6.92bln driven by a US$290.3mln increase in Central Bank advances and US$277.2mln upswing in Treasury Bills holdings, partially offset by lower bond holdings (down US$55.5mln) and loans (down US$66.6mln). External debt increased US$192.3mln, reaching US$5.49bln primarily on account of net new borrowing from international financial institutions (US$150.4mln from the IDB and US$80mln from CAF). National debt (including contingent liabilities) stood at US$12.41bln (77.1% of GDP) at December 2025.

During the six-month period, Government also capitalized the National Investment Fund with US$265.3mln, identified as additional proceeds from the US$1.067bln bond offering in June 2025.

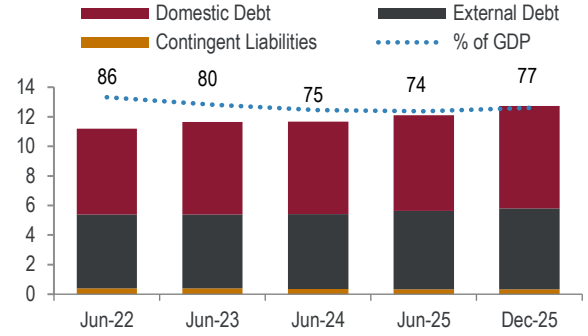
On April 30, Moody's upgraded The Bahamas sovereign credit rating to 'Ba3' from 'B1' with a stable outlook citing the strengthening fiscal performance.

Chart 5: Fiscal Balance (US$ mln)



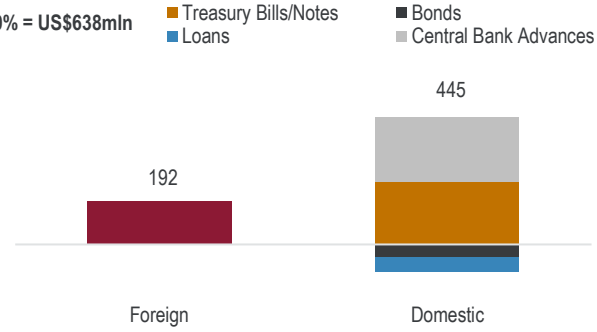
Source: Central Bank of The Bahamas, Bahamas Ministry of Finance, and CIBC Caribbean.

Chart 6: Government Debt (US$ bln)



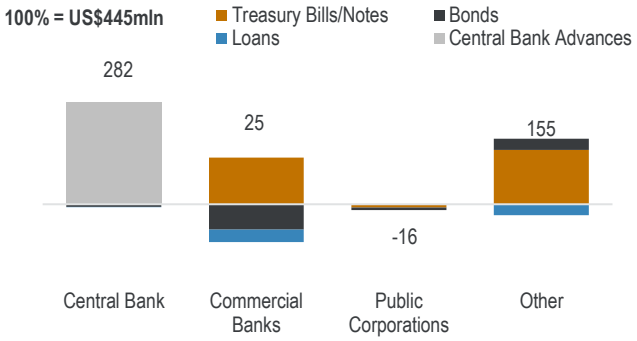
Source: Central Bank of The Bahamas, Bahamas Ministry of Finance, and CIBC Caribbean.

Chart 7: Net New Borrowing: Foreign vs Domestic (Jul - Dec 2025)



Source: Central Bank of The Bahamas, Bahamas Ministry of Finance, and CIBC Caribbean.

Chart 8: Net New Domestic Borrowing by Holder (Jul – Dec 2025)



Source: Central Bank of The Bahamas, Bahamas Ministry of Finance, and CIBC Caribbean.

Outlook

Economic growth in The Bahamas is expected to moderate over the next few years against the backdrop of binding stay-over tourism constraints, and a softening cruise tourism expansion. The IMF's latest estimates suggest that real GDP will expand by 2.2% in 2026 before leveling off at around 1.5% over the medium term. Inflation is expected to pick up pace in 2026 but remain modest. Government's FY2025/26 budget targets a US$75.5mln fiscal surplus supported by additional revenue expected from the Domestic Minimum Top-Up tax (DMTT) on large multinational corporations, which is expected to yield US$130mln. The IMF recently upgraded the risk of sovereign stress from high to moderate but continues to project gradually improving fiscal deficits. The ongoing war in the Middle East poses a potential risk to the inflation and economic growth outturns via the sharp escalation of energy and other global commodity prices and increased shipping costs, but the ultimate impact hinges on the duration and scale of the conflict.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	17.6	10.9	3.0	3.4	2.8	2.1	1.9
Inflation[1]	2.9	5.6	3.1	0.4	0.6	1.6	1.9
Unemployment Rate	17.4	10.7	10.2	8.4	9.5	9.4	9.2
Primary Balance/GDP[2]	-8.1	-1.3	0.3	2.7	3.7	3.7	3.6
Fiscal Balance/GDP[2]	-11.9	-5.5	-3.7	-1.2	-0.5	-0.3	-0.3
Government Debt/GDP[2]	90.7	84.7	78.3	73.8	73.8	71.9	70.2
External Current Account/GDP	-20.2	-8.9	-7.0	-7.6	-10.0	-9.1	-8.4
Nominal GDP (US$ bln)	12.0	13.9	15.3	15.8	16.5	17.0	17.6

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Fiscal year basis [July to June (of stated year)].

Barbados

Summary of Key Performance Updates

Real GDP Q1 2026	Unemployment Q4 2025	Inflation Feb 2026 (y/y)	FX Reserves Mar 2026	Debt/GDP Mar 2026
1.7%	7.2%	1.3%	26 weeks	94.6%

Production, Prices, and Employment

The Central Bank of Barbados (CBB) estimates that real GDP expanded 1.7% y/y in Q1 2026 buttressed by increased activity in the tourism, business and other services and construction sectors.

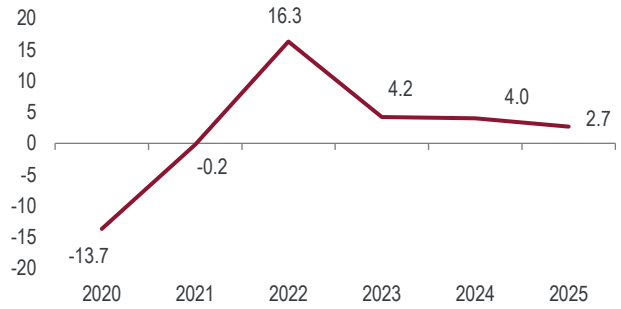
Tourism output expanded 3.3% y/y. Stay-over visitors rose 1.2% y/y during January to March 2026 reflecting a broad-based expansion across major source markets. Arrivals from the UK rose 1.0% y/y attributed to greater airlift from Heathrow, while arrivals from other European markets expanded 2.0% y/y. Arrivals from the US increased 0.5% y/y buoyed by additional seating capacity from major gateways including Washington and Charlotte, while arrivals from Canada and CARICOM rose 1.3% y/y and 3.2% y/y, respectively. Cruise passenger arrivals surged 30.0% y/y to 359,029 visitors during the quarter, supported by an 11.0% y/y increase in ship calls and higher vessel occupancy.

Distribution activity nudged upward 0.9% y/y partly reflecting increased demand for food and motor vehicles, while transport output also rose, 1.9% y/y. Greater demand for finance, insurance and real estate services boosted activity in the business and other services sector (up 2.5% y/y). Construction activity advanced 3.5% y/y reflecting ongoing commercial, residential and public sector projects, while agriculture output rose 4.1% y/y driven by increased fish catches (up 55.2%), egg production (up 55.7%), pork output (up 10.8%), and milk production (up 29.1%). However, manufacturing activity fell 2.3% y/y.

The unemployment rate came in at 7.2% in Q4 2025 relative to 8.2% in Q4 2023 (data unavailable for Q4 2024). The rate for males stood at 7.4%, while the rate for females stood at 7.0%.

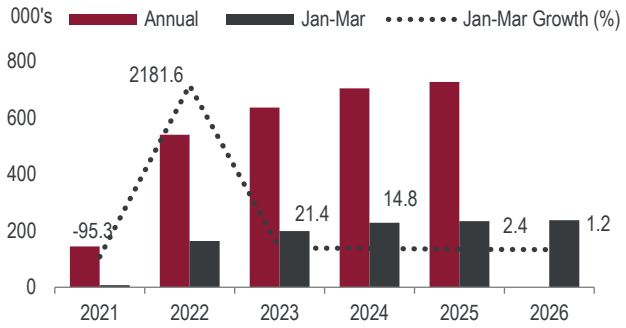
Consumer prices rose 1.3% y/y in February 2026 after declining by 0.3% y/y in February 2025, partly on account of higher prices for restaurant services, health, education, recreational goods and transport, attributed to increased demand.

Chart 1: Real GDP (%)



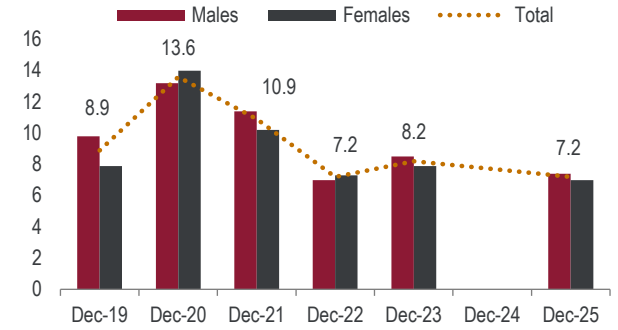
Source: Central Bank of Barbados, Barbados Statistical Service and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



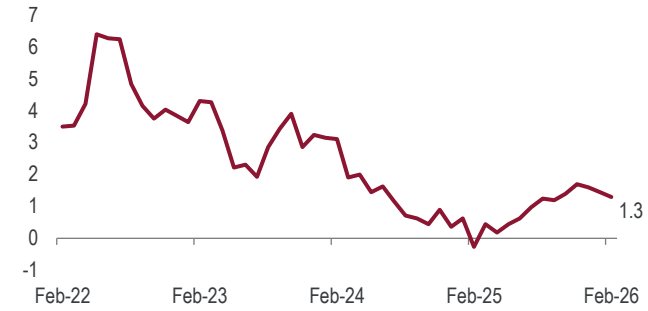
Source: Central Bank of Barbados, Barbados Tourism Marketing Inc., and CIBC Caribbean.

Chart 3: Unemployment Rate (%)



Source: Central Bank of Barbados, Barbados Statistical Service and CIBC Caribbean.

Chart 4: Inflation (y/y; %)



Source: Central Bank of Barbados, Barbados Statistical Service and CIBC Caribbean.

Financial Markets

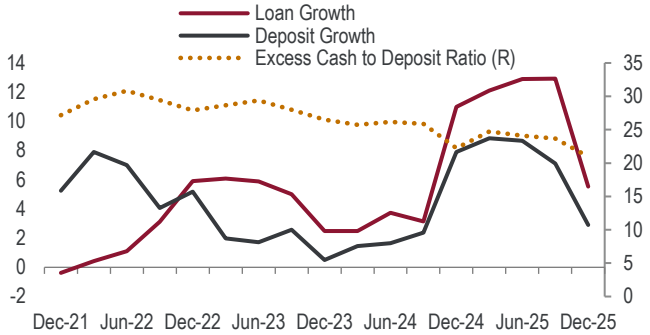
Deposit-taking institutions' (DTIs) credit growth moderated to 5.5% in 2025 following an 11.0% upswing one year earlier, which was bolstered by increased lending to government. Lending by commercial banks climbed 6.3%, while credit outstanding at trust and finance companies and credit unions rose 7.0% and 2.2%, respectively. Credit to the public sector dipped 1.6%, but credit to private business entities rose 5.6% mostly in support of manufacturing, real estate and other business activities, hotels and restaurants, and utilities. Personal loans expanded 4.4% reflecting higher balances of consumer loans (up 6.7%) and mortgages (up 2.3%). DTIs' deposit balances rose 2.9% y/y at December 2025, easing from 7.9% growth one year earlier, when the early repayment government bonds boosted client accounts.

Commercial banks' excess liquidity slipped but remained elevated. The local excess cash-to-deposit ratio fell to 20.3% at December 2025, relative to 21.9% at December 2024, while latest available data suggest that it fell to 19.5% at March 2026. Banks' weighted average loan rate nudged upward 1bps y/y to 5.17% at December 2025, but the corresponding deposit rate rose 2bps y/y to 0.17%, maintaining the narrowing interest spread. The weighted average interest rate on mortgages, in particular, fell 10bps y/y to 4.26%.

Banks' loan quality continued to improve with the non-performing loan ratio falling 0.5 percentage points y/y to 3.4% at December 2025. However, profitability slipped as the 12-month return on average assets fell from 1.2% in December 2024 to 1.1% in December 2025. The capital adequacy ratio stood at 18.7% at the end of the same period.

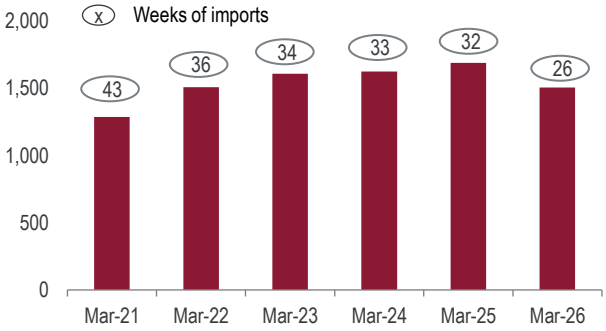
International reserves fell US$183.2mln y/y to US$1.51bln at March 2026, representing 26 weeks of imports of goods and services, partly attributed to reduced external borrowing following the conclusion of IMF-supported programs in mid-2025.

Chart 5: Financial Indicators (%)



Source: Central Bank of Barbados and CIBC Caribbean.

Chart 6: Gross International Reserves (US$ mln)



Source: Central Bank of Barbados and CIBC Caribbean.

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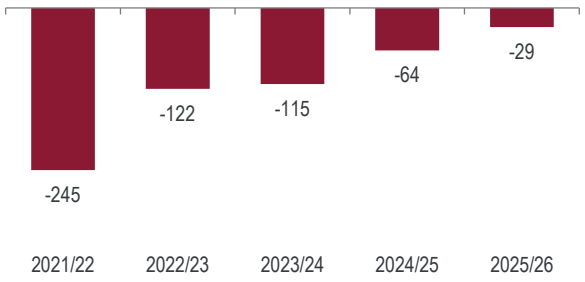
Fiscal Operations and Debt

Government recorded a US$323.7mln (4.0% of GDP) primary surplus in FY2025/26 a marginal improvement from US$321.5mln in FY2024/25. Government's fiscal deficit narrowed from US$64.5mln (0.8% of GDP) to US$29.1mln (0.4% of GDP) as increased revenue outweighed an uptick in capital spending.

- Revenue expanded US$46.8mln (2.4% y/y) driven by a US$63.2mln (3.4% y/y) expansion in tax receipts. Taxes on personal income rose US$19.0mln reflecting higher bonuses paid to the financial sector, but taxes on corporate income fell US$3.0mln. Collections of the financial institutions' asset tax rose US$0.8mln, but property tax receipts fell US$0.3mln, while other taxes fell US$7.2mln, reflecting a US$14.9mln fall-off in withholding taxes. Indirect taxes advanced US$53.7mln, primarily due to higher VAT collections (up US$35.1mln), while import duties rose US$5.2mln and other indirect taxes increased US$13.1mln. However, non-tax revenue fell US$16.4mln largely due to lower dividend income following a one-off payment from the Industrial Credit Fund for Export Barbados in the prior year.
- Current spending remained flat during the year. Higher payments for goods and services (up US$30.4mln) and wages and salaries (up US$7.6mln) offset reduced outlays for interest on public debt (down US$22.2mln) and transfers and subsidies (down US$15.7mln). The debt-for-climate swap coupled with the prepayment of IMF debt and the 2029 Eurobond contributed to lower external and domestic interest costs, down US$10.9mln and US$11.3mln, respectively. Government's capital spending rose US$17.7mln, related to the purchase of garbage trucks and work on the new geriatric hospital, among other projects.

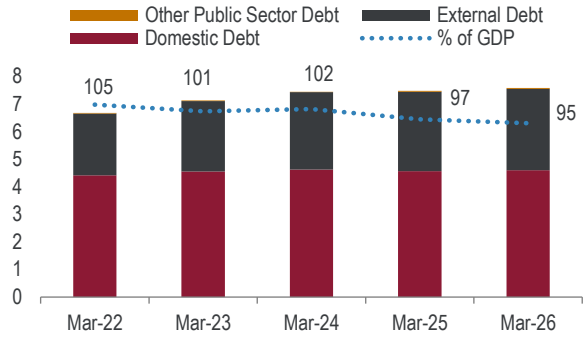
Government's liability management operations facilitated the pre-payment of 83.5% of the 2029 Eurobond and 33.8% of IMF debt outstanding using the proceeds of the US$500mln bond issued in June 2025. Government also received US$58mln in IMF funding, and US$133mln in project financing. On the domestic side, amortization payments and deposits outweighed net proceeds from BOSS+ bonds, Treasury Bills, a 2044 Debenture, and a one-off asset divestment. Public debt rose US$103.8mln since March 2025 to US$7.58bln, but improved to 94.6% of GDP at March 2026.

Chart 7: Fiscal Balance (US$ mln)



Source: Central Bank of Barbados and CIBC Caribbean.

Chart 8: Public Debt (US$ bln)



Source: Central Bank of Barbados and CIBC Caribbean.

Outlook

The CBB projects that following a 2.7% expansion in 2025, real GDP will continue to expand in 2026, in the range 2% to 3% – the IMF places this estimate at 2.5%. The CBB expects that tourism, construction, and business services, will drive growth supported by a robust investment pipeline, including renewable energy projects and tourism-related developments. Inflation is expected to rise in 2026 due to higher international commodity prices but remain contained. Government expects to continue to maintain primary surpluses that will ensure debt remains on track toward its long-term target of 60% by FY2035/36. However, heightened uncertainty related to ongoing geopolitical tensions pose downside risks to the outlook, with potential implications for tourism demand and overall growth prospects.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	8.0	15.9	1.8	3.4	2.7	2.5	2.2
Inflation[1]	1.5	4.4	3.2	1.5	0.8	2.3	2.2
Primary Balance/GDP[2]	-0.7	2.2	3.3	4.0	4.1	4.1	4.1
Fiscal Balance/GDP[2]	-3.9	-1.7	-1.6	-0.8	-0.3	-0.1	0.2
Government Debt/GDP[2]	108.6	104.0	104.1	98.9	94.2	89.5	85.1
External Current Account/GDP	-7.9	-7.9	-7.8	-3.9	-7.5	-7.0	-6.6
Nominal GDP (US$ bln)	5.9	6.9	7.2	7.6	8.0	8.5	9.0

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Fiscal year basis [April (of stated year) to March].

Belize

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Feb 2026 (y-t-d)	Inflation Feb 2026 (y/y)	FX Reserves Feb 2026	Debt/GDP Feb 2026
2.7%	0.2%	0.7%	16 weeks	69.7%

Production, Prices, and Employment

Latest estimates from the Statistical Institute of Belize (SIB) indicate that following a 3.5% expansion in 2024, real economic activity expanded 2.7% in 2025, largely sustained by greater output of agriculture, construction, finance and insurance activities, and tourism services.

Agriculture forestry and fishing production climbed 9.1% driven by strong gains in crop, livestock and sea food output, though sugar cane deliveries fell sharply due to adverse weather and a fungal disease outbreak. Construction activity also advanced 9.1% likely related to ongoing tourism and public infrastructure development projects.

Output of accommodation and food services rose 2.8%. During the year, stay-over arrivals increased 0.8%, slowing relative to a 17.8% expansion one year earlier. Visitor arrivals from the US, the largest source market, slipped 0.8%, but arrivals from Europe and Canada rose 2.9% and 4.9%, respectively. Arrivals from Mexico and South America also increased, 24.4% and 1.9%, respectively. After declining in 2024, cruise passenger arrivals expanded 8.1% supported by a 16.9% increase in ship calls but remained 17% below the pre-pandemic performance. Despite the upturn in the accommodation and food services sector, output of wholesale and retail trade and transportation dipped 0.2% y/y and 0.6% y/y, respectively.

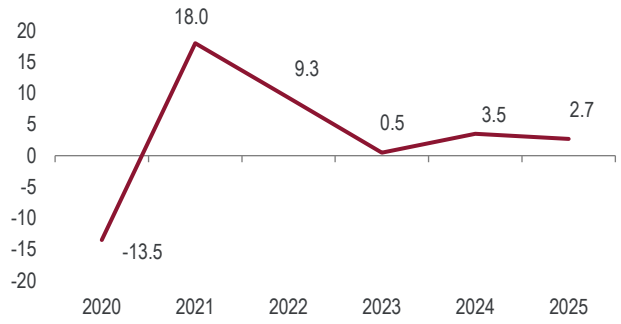
Financial services' activity increased 14.0%, but professional services, mining and manufacturing activity declined 4.0%, 3.0% y/y and 3.0% y/y, respectively.

Since then, stay-over arrivals rose 0.2% y/y over January to February 2026 as arrivals from the US remained weak, declining 2.4% y/y, while cruise passenger arrivals fell 2.7% y/y over the two-month period coinciding with a 5.2% dip in vessel calls.

The SIB's most recent Labour Force Survey indicates that the unemployment rate improved to 1.9% at September 2025 from 2.1% one year earlier. The unemployment rate for males and females stood at 1.1% and 3.0%, respectively, while the labour force participation rate rose from 56.3% to 58.1%.

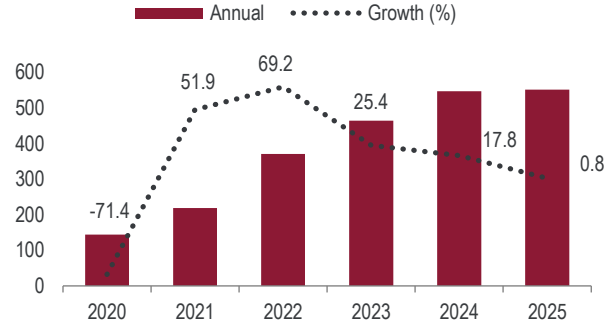
The inflation rate eased to 0.7% y/y in February 2026 relative to 1.5% y/y one year earlier. The price of food increased 1.5% y/y, while the price of 'housing utilities gas and other fuels' rose 1.1% y/y, but the price of transport fell 2.8% y/y.

Chart 1: Real GDP (%)



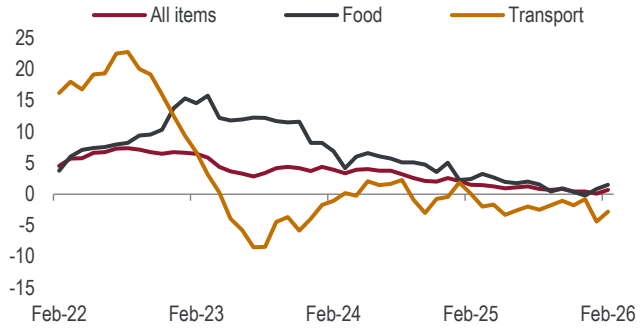
Source: Statistical Institute of Belize and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



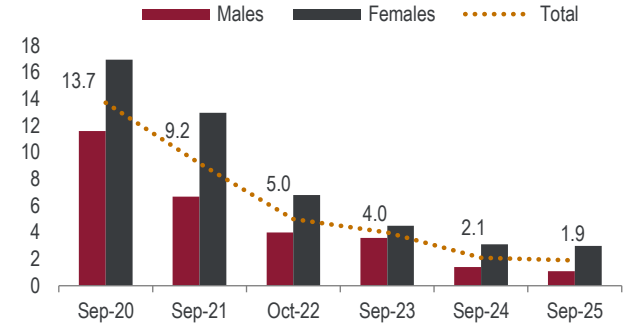
Source: Belize Tourism Board and CIBC Caribbean.

Chart 3: Inflation (y/y; %)



Source: Statistical Institute of Belize and CIBC Caribbean.

Chart 4: Unemployment Rate (%)



Source: Statistical Institute of Belize and CIBC Caribbean.

Developments in Financial Markets

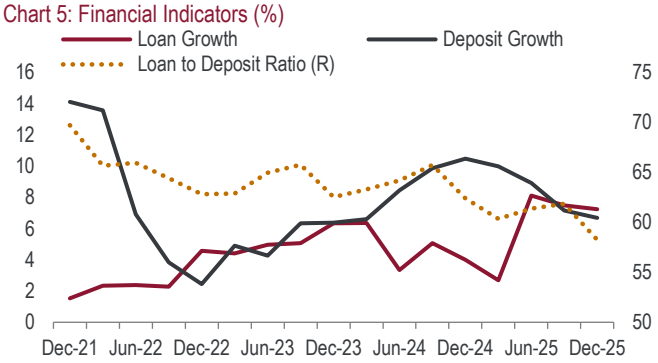
Banks' credit growth gained momentum in 2025, with outstanding balances climbing 7.2% following a 4.0% expansion in 2024. Personal loans advanced 8.1%, while non-personal loans rose 7.1% y/y, mostly reflecting higher credit to the tourism (up 17.5%), building and construction (up 7.4%), real estate (up 6.9% y/y), manufacturing (up 16.3%), and distribution (up 9.7%) sectors. Deposit holdings increased 6.7%, following a 10.5% build-up one year earlier, bolstered by higher holdings of both personal (up 8.2%) and corporate (up 5.9%) deposits, but balances of non-residents declined 3.9%. The loan-to-deposit ratio rose 0.3 percentage points y/y to 62.2% at December 2025.

Banks' weighted average loan rate rose 3bps y/y to 8.48% at December 2025, while the weighted average deposit rate fell 6bps to 0.88%, widening the corresponding spread 9bps y/y to 7.60%. Excess liquid assets in the banking system above the 21% statutory requirement represented 16% of deposits at December 2025, relative to 17% one year earlier.

Latest available data indicate that asset quality continued to improve. The non-performing loan ratio declined from 4.4% at December 2024 to 3.3% at December 2025, while the annualised return on average assets remained unchanged y/y at 1.5% in Q4 2025. Banks' capital adequacy ratio fell 0.9 percentage points y/y to 17.9% at December 2025, but remained well above the 9% statutory requirement.

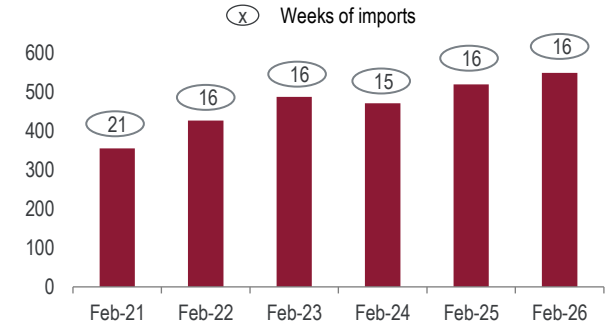
FX reserves at the Central Bank of Belize increased US$59.6mln y/y to US$548.2mln at February 2026, representing approximately 16 weeks of import cover.

Chart 5: Financial Indicators (%)



Source: Central Bank of Belize and CIBC Caribbean.

Chart 6: Gross International Reserves (US$ mln)



Source: Central Bank of Belize and CIBC Caribbean.

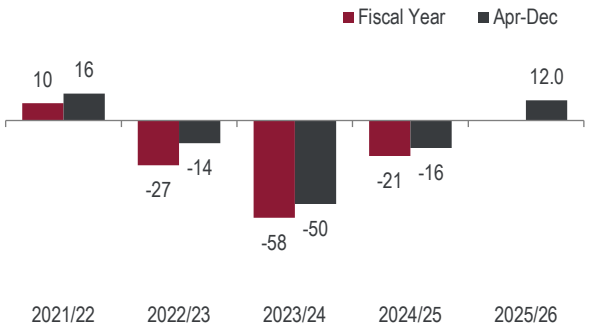
Fiscal Operations and Debt

Government's operations yielded a US$12.0mln fiscal surplus during the first nine months of FY2025/26 ended December 2025, relative to a US$16.2mln deficit one year earlier, reflecting a combination of increased revenue, primarily grant receipts, and reduced spending.

Current revenue slipped US$0.6mln (0.1% y/y). Meanwhile, capital revenue fell US$3.2mln but grant receipts climbed US$15.4mln. Public spending fell US$16.5mln (6.2% y/y), reflecting reduced outlays for both current (down US$4.4mln) and capital (down US$12.1mln) expenses.

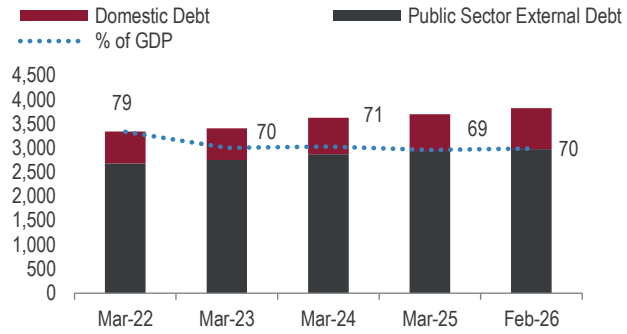
Central government domestic debt rose US$86.1mln since March 2025 to US$846.65mln at February 2026 as an increase in treasury notes held by Central Bank and domestic banks overshadowed repayments of loans to domestic banks. Public sector external debt rose US$18.1mln to US$1.49bln mostly on account of higher bilateral and multilateral holdings. Total public debt stood at US$2.20bln representing 69.7% of GDP.

Chart 7: Fiscal Balance (US$ mln)



Source: Central Bank of Belize and CIBC Caribbean.

Chart 8: Public Debt (US$ mln)



Source: Central Bank of Belize and CIBC Caribbean.

Outlook

Belize's economic expansion will likely continue to moderate as tourism activity normalizes. The IMF estimates real GDP growth of 2.2% in 2026, while average inflation is projected to quicken, but remain modest at 1.5%. Public debt-to-GDP is expected to decline more slowly over the medium-term, as economic growth softens. However, heightened geopolitical uncertainty continues to pose downside risks to the economic outlook. Contingent on the scale and duration of the ongoing US-Israel-Iran conflict, persistently higher global energy prices and shipping costs could intensify upward pressure on domestic inflation and weaken tourism demand, with adverse consequences for economic prospects.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	18.0	9.3	0.5	3.5	2.7	2.2	2.1
Inflation[1]	3.2	6.3	4.4	3.3	1.1	1.5	1.5
Unemployment Rate	10.3	6.1	3.3	2.6	2.6	2.6	2.6
Primary Balance/GDP[2]	-1.9	0.7	-0.2	1.0	1.5	1.1	0.7
Fiscal Balance/GDP[2]	-3.3	-1.0	-2.4	-1.5	-1.0	-1.5	-1.8
Public Debt/GDP[2]	82.2	66.8	67.5	65.4	67.9	63.2	62.7
External Current Account/GDP	-6.5	-8.3	-1.0	-1.9	-3.5	-4.5	-3.9
Nominal GDP (US$ bln)	2.4	2.8	3.1	3.2	3.3	3.5	3.6

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Calendar year basis.

Cayman Islands

Summary of Key Performance Updates

Stay-over Arrivals Feb 2026 (y-t-d)	Cruise Arrivals Feb 2026 (y-t-d)	Unemployment Fall 2024	Inflation Q4 2025 (y/y)	Debt/GDP Sep 2025
11.8%	-2.7%	2.4%	1.3%	5.8%

Production, Prices, and Employment

Latest estimates from the Cayman Islands' Economics and Statistics Office (ESO) suggest that real GDP advanced at an annualized rate of 2.7% over the first half of 2025, with an estimated 2.6% expansion for the year, relative to 3.8% growth one year earlier. Continued demand for financial services, the largest contributor to the economy, and greater activity in other services sectors, including hotels and restaurants, underpinned the half-year expansion, but output of mining and quarrying, manufacturing, and construction dipped.

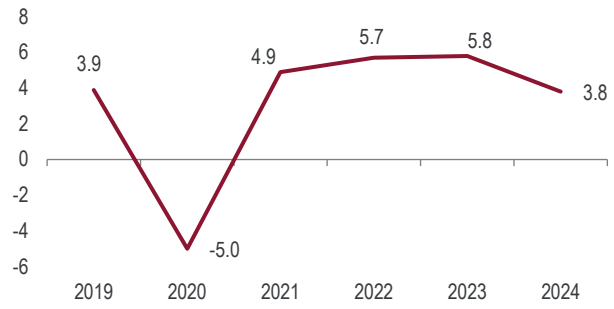
Overall for 2025, stay-over arrivals increased 2.9%, achieving 90% of the pre-pandemic outturn. Arrivals from the US, accounting for 82% of total arrivals, rose 2.7%, while arrivals from the UK and Canada climbed 4.1% and 7.1%, respectively. Conversely, the cruise segment remained subdued. After contracting by 15.3% one year prior, cruise passenger arrivals dipped 1.4% in 2025, despite a 4.7% upturn in ship calls. The outturn partly reflected an increase in smaller mid-sized vessels carrying fewer passengers relative to the mega ships that dominate the itineraries of some regional peers.

Since then, stay-over arrivals advanced 11.8% y/y during January to February 2026, overtaking the corresponding pre-pandemic level by 11%, but cruise passenger arrivals fell 2.7% y/y during the two-month period.

The Fall 2024 Labour Force Survey Report (latest available) indicates that the unemployment rate improved to 2.4% from 3.3% in Fall 2023. The unemployment rate for Caymanians specifically fell from 5.0% to 4.6%.

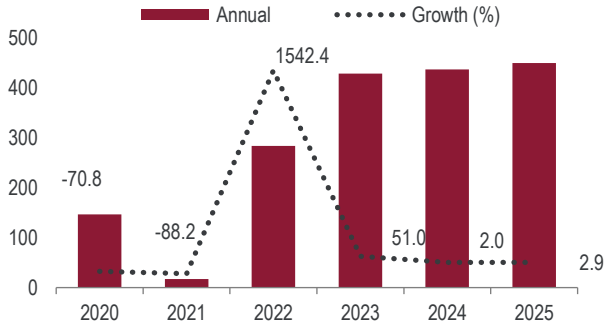
Consumer prices rose 1.3% y/y in Q4 2025, softening relative to 2.7% y/y one year earlier. The prices of food and 'housing and utilities' increased 3.8% y/y and 2.0% y/y, respectively, but the price of transport declined 5.0% y/y.

Chart 1: Real GDP (%)



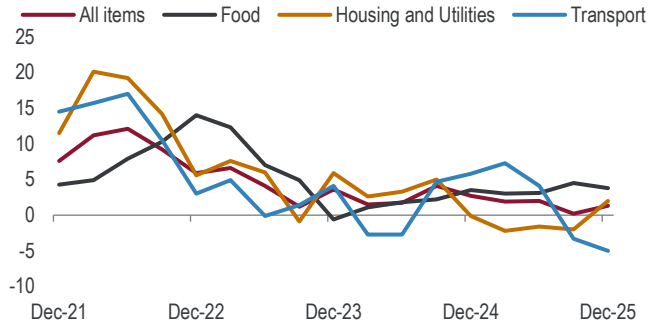
Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



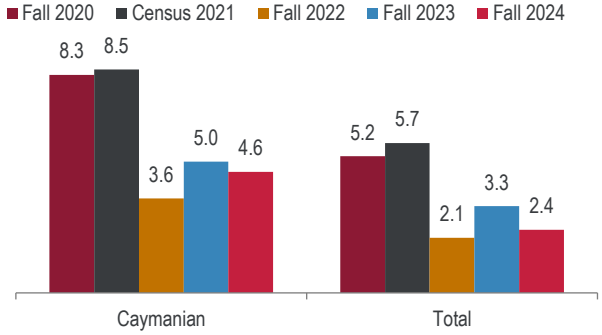
Source: Cayman Islands Department of Tourism and CIBC Caribbean.

Chart 3: Inflation (y/y; %)



Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

Chart 4: Unemployment Rate (%)



Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

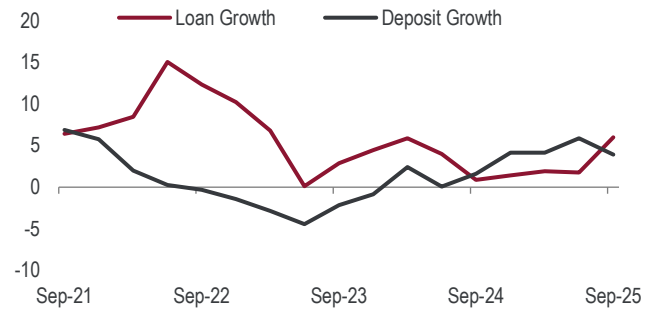
Developments in Financial Markets

Banks' domestic growth accelerated to 6.0% over the 12 months to September 2025, following a 0.9% uptick one year prior. Credit to the public sector climbed 27.0%, while lending to the private sector increased 3.8%. Personal loans rose 4.5% reflecting higher balances of both consumer loans (5.6%) and mortgages (4.4%), while lending to private business entities increased 2.5%.

Deposits of residents rose 3.9% y/y at September 2025. Corporate balances rose 4.5%, while balances of individuals and non-profit entities increased 2.3%.

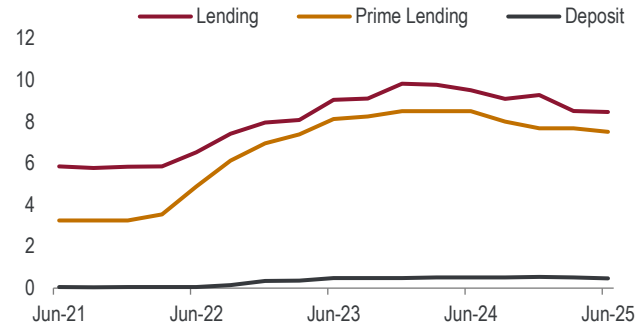
Cayman Islands' prime lending rate continued to trend in line with the US Federal Feds rate. Accordingly, the weighted average interest rate on KYD loans fell 104bps y/y to 8.46% at June 2025, while the rate on KYD deposits dipped 4 bps y/y to 0.47%.

Chart 5: Financial Indicators (%)



Source: Cayman Islands Monetary Authority and CIBC Caribbean.

Chart 6: Interest Rates (%)



Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

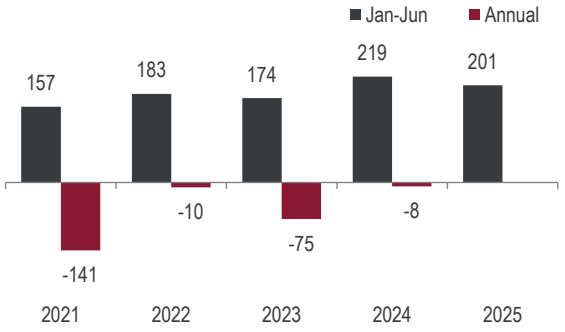
Fiscal Operations and Debt

The Government recorded a US$105.0mln fiscal surplus during January to September 2025, US$11.1mln lower than during the first nine months of 2024, as increased public spending eclipsed an expansion in revenue collections.

- Revenue advanced US$67.7mln (6.2% y/y) bolstered by a US$71.0mln expansion in tax receipts. Taxes on goods and services climbed US$63.6mln (9.1% y/y), while taxes on international trade and transactions and property rose US$5.7mln and US$3.8mln, respectively. However, other tax receipts fell US$2.1mln. Non-tax collections declined US$3.2mln as proceeds from investment and the sale of goods and services fell US$8.0mln and US$3.0mln, respectively, but receipts from fines and other revenue increased US$7.8mln.
- Current spending expanded US$80.2mln (10.8% y/y) largely reflecting a US$43.8mln (10.7%) upswing in outlays for personnel costs. Payments for transfers and subsidies rose US$21.8mln and US$11.0mln, respectively, but spending on goods and services and interest fell US$5.2mln and US$0.8mln, respectively. Net capital expenditure dipped US$1.3mln to US$38.1mln during the nine-month period.

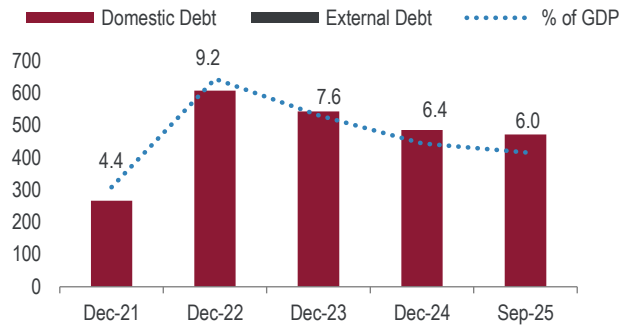
Government's cash and deposit balances fell US$44.3mln since December 2024 to US$471.4mln at September 2025, while government debt fell US$13.9mln to US$472.3mln (approximately 6.0% of GDP) at September 2025.

Chart 7: Fiscal Balance (US$ mln)



Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

Chart 8: Government Debt (US$ mln)



Source: Cayman Islands Economics and Statistics Office and CIBC Caribbean.

Outlook

ESO projects that economic activity in the Cayman Islands will expand by 2.2% in 2026, while average inflation is projected to quicken to 2.6%. Continued demand for finance and insurance services, alongside greater activity in tourism and related services is expected to sustain growth. Government's budget projections continue to reflect compliance with the Principles of Responsible Financial Management. In addition to modest operating surpluses, Government intends to borrow around 4% of GDP between 2026 and 2028, with public debt remaining below 10% of GDP. However, the ongoing war in the Middle East poses a negative external shock, with potential implications for tourism and inflation via higher energy prices.

Table 1: Key Indicators and Projections

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	4.9	5.7	5.8	3.8	2.6	2.2	2.5
Inflation	3.3	9.5	3.8	2.6	1.9	2.6	2.3
Unemployment Rate	5.7	2.1	3.3	2.4	2.8	2.9	2.7
Budget Balance/GDP	-2.3	-0.1	-1.0	-0.1	0.2	0.1	0.1
Public Debt/GDP	4.4	9.1	7.5	6.4	5.9	6.9	8.0
Nominal GDP (US$ bln)	6.1	6.7	7.3	7.8	8.1	8.4	8.8

Source: Cayman Islands Economics and Statistics Office, Moody's, and CIBC Caribbean.

Curaçao

Summary of Key Performance Updates

Real GDP Q3 2025	Stay-over Arrivals Feb 2026 (y-t-d)	Inflation Feb 2026 (y/y)	FX Reserves Feb 2026	Debt/GDP Sep 2025
5.7%	7.8%	0.9%	23 weeks	61.3%

Production, Prices, and Employment

The Centrale Bank van Curaçao en Sint Maarten (CBCS) estimates that real GDP expanded 5.7% y/y in Q3 2025, strengthening from 3.6% one year earlier, reflecting greater activity across all major sectors, but mostly concentrated in tourism, transport, and wholesale and retail trade.

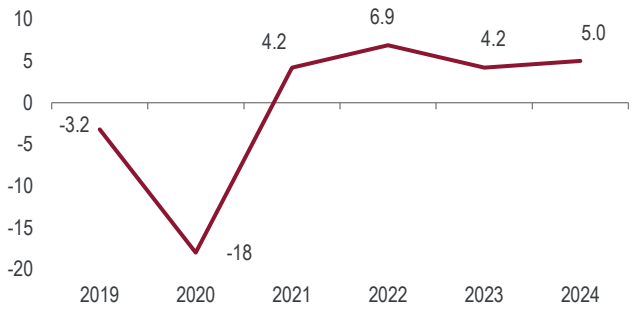
Output of accommodation and food services advanced 7.1% y/y propelled by an 8.5% y/y expansion in stay-over visitors. Of the larger source markets, arrivals from the US rose 13.3% y/y, while arrivals from South America climbed 27.3% y/y, though arrivals from Venezuela specifically fell 35.2% y/y. However, arrivals from Europe declined 1.6% y/y curtailed by a 2.6% y/y dip from the Netherlands. Arrivals from the Caribbean also fell, 14.0% y/y. Cruise passenger arrivals expanded, growing 27.7% y/y, coinciding with a 5.7% uptick in ship calls.

Increased passenger traffic and commercial landings bolstered airport activity, while greater cruise vessels alongside increased container movements supported harbor-related activity boosting output of transport storage and communication 6.4% y/y. Wholesale and retail trade also advanced (up 6.3% y/y) driven by higher domestic and tourism-related spending. Construction activity broadened 5.7% reflecting ongoing work on private sector developments and public infrastructure projects, while manufacturing activity nudged upward 1.0% y/y, attributed to ship-repair activities.

Overall for the year, stay-over arrivals advanced 12.6%, with arrivals from the US and the Netherlands, representing 25.5% and 35.6%, increasing 3.0% and 17.3%, respectively, while cruise passenger arrivals expanded 5.6%. Since then, stay-over arrivals rose 7.8% y/y over January to February 2026, and cruise passenger arrivals increased 15.9% y/y over the two-month period.

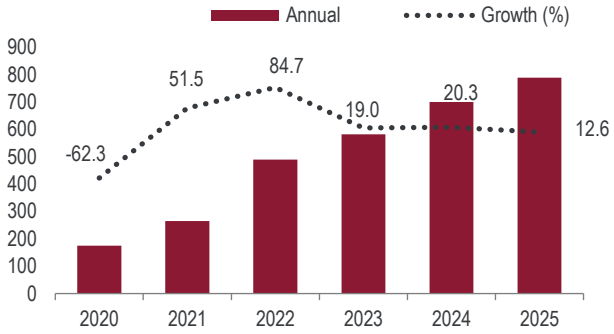
Curaçao's inflation rate softened to 0.9% y/y in February 2026 relative to 2.5% y/y one year earlier. The price of food increased 1.5% y/y, while the price of housing and utilities rose 1.0% y/y, and the price of transport and communication nudged upward 0.1% y/y.

Chart 1: Real GDP (%)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



Source: Curaçao Tourist Board and CIBC Caribbean.

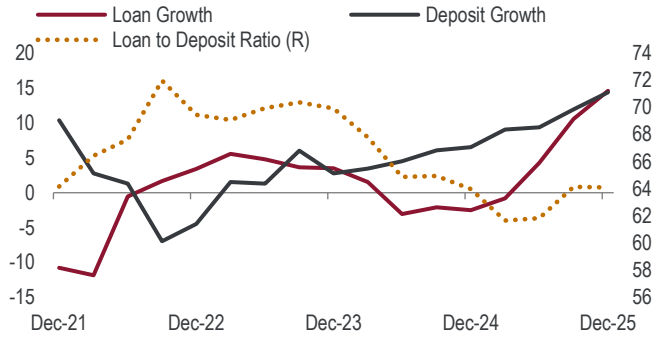
Developments in Financial Markets

Commercial banks' credit balances surged 14.6% in 2025, following a 2.5% decline one year earlier. Loans to private business entities expanded 16.5%, while personal loans increased 12.0% reflecting higher balances of mortgages (up 11.4%) and consumer loans (up 12.8%). Deposits at banks advanced 14.4% on account of higher holdings of both individuals (up 13.5%) and the corporate sector (up 11.0%). Similar growth in loans and deposits kept the loan-to-deposit ratio around 64% at December 2025.

Overall, for the Monetary Union, the current account balance of commercial banks at the CBCS slipped US$18.2mln (5.9% y/y) to US$292.3mln at December 2025. The CBCS maintained the reserve requirement at 18.50% but lowered the pledging rate by 25bps to 4.25% in December, following a similar cut in September, tracking broadly in line in the monetary easing of the Federal Reserve.

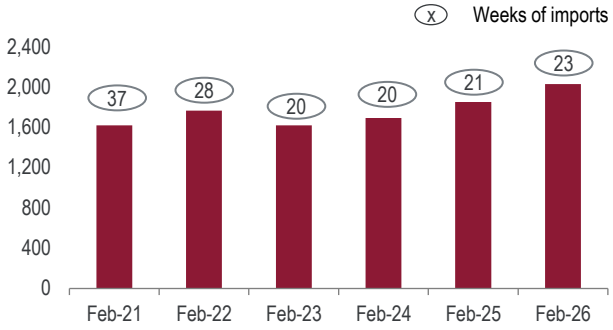
The pledging rate cuts also came against the backdrop of healthy FX reserves. Gross official FX reserves of the Monetary Union (excluding gold) rose US$178.5mln y/y to US$2.03bln (approximately 23 weeks of imports of goods and services) at February 2026.

Chart 3: Financial Indicators (%)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 4: Gross International Reserves (excluding gold) (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

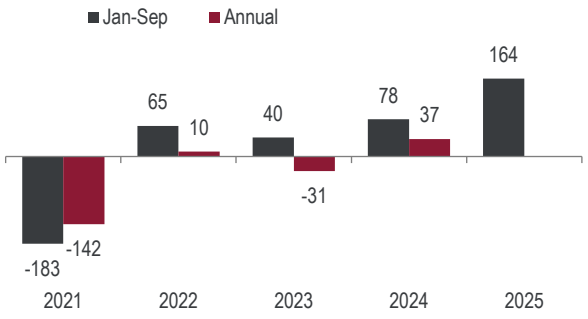
Fiscal Operations and Debt

Government's overall budget surplus improved by US$85.6mln to US$163.7mln during January to September 2025, as growing revenue collections outpaced an increase in current spending.

- Revenue advanced US$97.6mln (12.2% y/y). Tax receipts climbed US$45.1mln (6.2% y/y) consistent with broadening economic activity. Taxes on income and profits rose US$17.7mln (7.3% y/y), while taxes on property and international trade and transactions increased US$10.1mln (21.2% y/y) and US$10.4mln (12.5% y/y), respectively. Collections on goods and services also rose, US$6.4mln (1.8% y/y). Non-tax revenue increased US$52.5mln (75.1% y/y) mostly on account of increased proceeds from license fees collected by the CBCS, the online gaming sector and the sale of goods and services.
- Current spending increased US$20.8mln (3.0% y/y) primarily reflecting a US$25.1mln (9.0% y/y) expansion in wages and salaries attributed to increased overtime payments to civil servants, and increased payments for public officers working in special education. Transfers and subsidies increased US$4.1mln (1.4% y/y), but outlays for goods and services and interest fell US$7.5mln and US$1.3mln, respectively. Other spending nudged upward US$0.6mln. Meanwhile, capital expenditure declined US$8.8 (43.9% y/y) during the nine-month period.

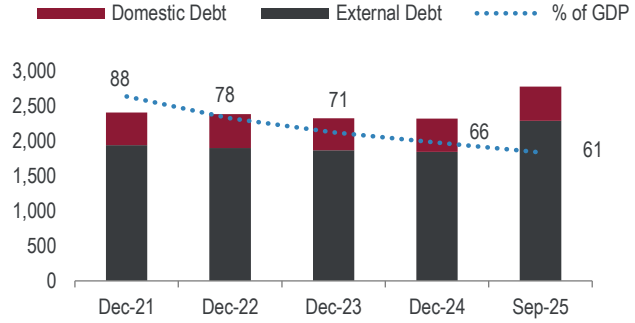
Government's debt stock rose US$452.7mln since December 2024 to US$2.78bln (61.3% of GDP) at September 2025. Foreign debt climbed US$446.4mln to US$2.29bln due to the formal recognition of pre-existing obligations to the Netherlands. Domestic debt increased US$6.3mln to US$489.9mln as the settlement of arrears to creditors (down US$38.7mln) largely offset increased liabilities to the Social Security Bank (SVB) (up US$40.9mln) and the Public Pension Fund (APC) (up US$5.4mln).

Chart 5: Overall Budget Balance (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 6: Government Debt (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Outlook

Following an estimated 3.9% expansion in 2025, the CBCS projects that Curaçao's real GDP growth will moderate to 2.9% in 2026 with the expansion broadly supported by stronger tourism demand and increased activity in related sectors. The Bank expects that average inflation will quicken from 2.0% in 2025 to 2.3% in 2026 due to higher global oil prices linked to ongoing US-Israel-Iran conflict. Government's overall budget surplus is projected to narrow slightly from 1.9% of GDP in 2025 to 1.8% of GDP in 2026, but remain in compliance with the fiscal rule of a zero net operating balance. Higher capital spending linked to Government's investment agenda is expected to increase the stock of public debt, but the public debt-to-GDP ratio is projected to continue to decline. However, domestic inflation could climb even higher if the oil price shock deepens and/or persists, with negative repercussions for economic growth.

Table 1: Key Indicators and Projections

(%)	2020	2021	2022	2023	2024	2025	2026
Real GDP Growth	-18.0	4.2	6.9	4.2	5.0	3.9	2.9
Inflation	2.2	3.8	7.4	3.5	2.6	2.0	2.3
Unemployment Rate	19.1	20.5	13.1	11.7	7.8	7.4	7.2
Budget Balance/GDP	-17.1	-5.2	0.3	-0.9	1.0	1.9	1.8
Public Debt/GDP	90.8	88.0	77.6	70.7	66.0	61.5	60.8
Nominal GDP (US$ bln)	2.5	2.7	3.1	3.3	3.5	3.7	3.9

Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Dominica

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Dec 2025 (y-t-d)	Cruise Arrivals Dec 2025 (y-t-d)	Inflation Dec 2025 (y/y)	Debt/GDP Dec 2025
4.5%	17.5%	9.1%	0.3%	98.4%

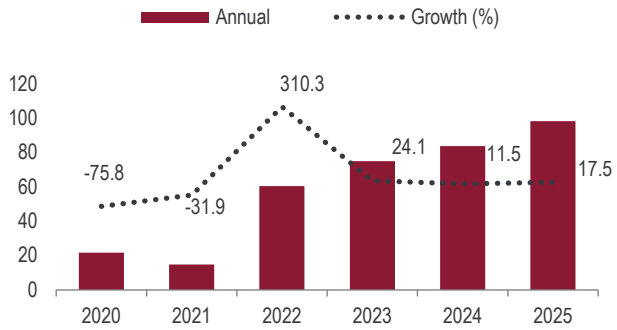
Production, Prices, and Employment

The IMF's latest estimates suggest that economic activity in Dominica advanced 4.5% in 2025, accelerating relative to 3.5% growth one year earlier.

Stay-over arrivals expanded 17.5% in 2025, overtaking the pre-pandemic level by 10%, supported by greater airlift following the completion of upgrades to the airport runway. Meanwhile, cruise passenger arrivals continued to climb, increasing 9.1% during the year, despite a 1.3% dip in the number of ship calls.

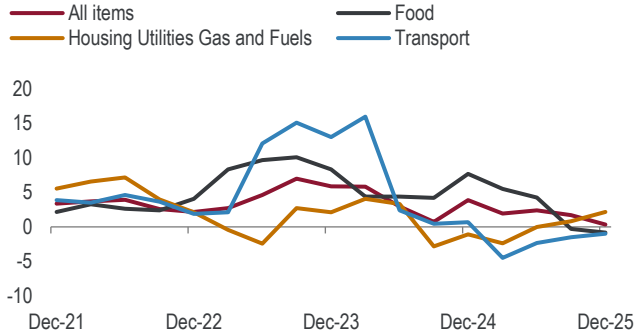
Inflation eased to 0.3% y/y in December 2025 relative to 3.9% y/y in December 2024. The prices of food and transport fell 0.8% y/y and 1.0% y/y, respectively, while the price of housing utilities gas and fuels increased 2.2% y/y.

Chart 1: Stay-Over Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



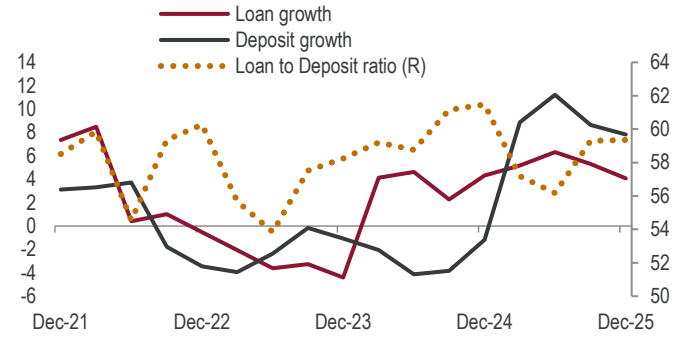
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit balances advanced 4.1% in 2025, following a 4.3% expansion one year earlier. Lending to the corporate sector drove the expansion (up 6.3%), led by a 10.5% increase in loans to private businesses, while credit to the public sector fell 2.2%. Deposit balances climbed 7.8% y/y following a 1.2% dip one year earlier. Corporate balances expanded 15.2%, while personal balances rose 2.9%. The market loan-to-deposit ratio declined 2.1 percentage points to 59.3% at December 2025.

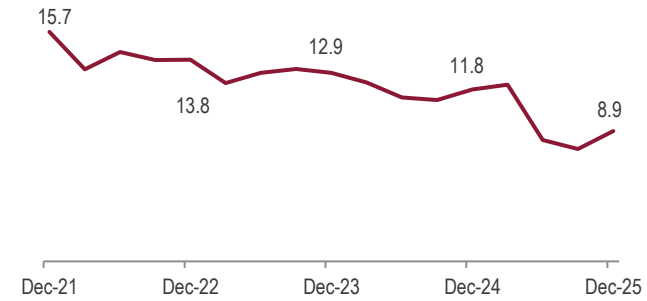
Banks' (local currency) weighted average loan rate dipped 6bps y/y to 5.75% at December 2025, while the weighted average deposit rate fell 9bps y/y to 1.52%. Loan quality and profitability improved as the non-performing loan ratio fell from 11.8% at December 2024 to 8.9% at December 2025, and the annualised return on average assets rose from 1.1% in Q4 2024 to 1.7% in Q4 2025. The market capital adequacy ratio increased 6.0 percentage points y/y to 21.0% at December 2025, remaining well above the 8% prudential benchmark.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

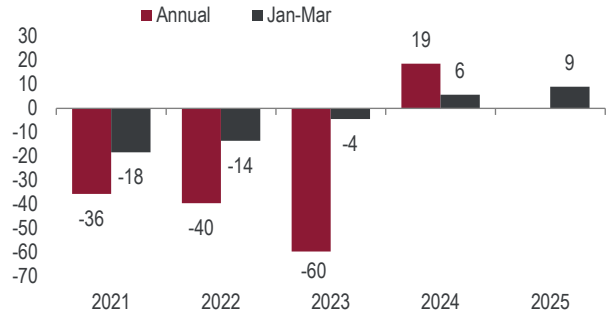
Data on fiscal operations after Q1 2025 remained unavailable up to publication time.

Government's fiscal balance improved by US$3.3mln to a US$9.0mln surplus during January to March 2025. Increased revenue collections, primarily Citizenship by Investment (CBI) inflows, outpaced higher spending.

- Current revenue advanced US$30.5mln (57.3% y/y). Tax receipts rose US$5.3mln (13.8% y/y) buttressed by increased collections on goods and services (up US$4.0mln). Taxes on international trade and transactions and property nudged upward US$0.9mln and US$0.4mln, respectively, while taxes on income and profits registered a marginal decline. Non-tax receipts climbed US$25.2mln, bolstered by US$24.1mln upswing in CBI inflows during the quarter. Further, grant revenue totaled US$10.0mln following no inflows one year prior.
- Current spending expanded US$30.2mln (84.9% y/y). Payments for goods and services rose US$22.9mln, while spending on personal emoluments and transfers and subsidies increased US$6.6mln and US$1.6mln, respectively. However, interest payments dipped US$0.9mln. Government increased its capital spending US$6.7mln (56.5% y/y).

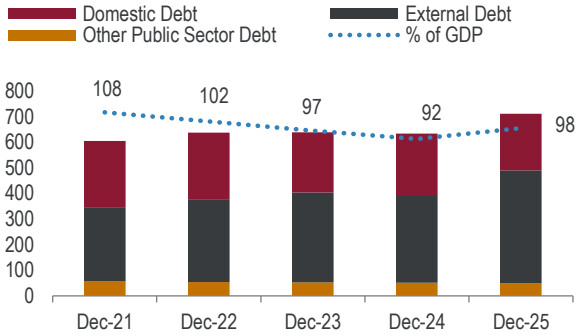
Central Government debt increased US$25.7mln during the year to US$664.1mln at December 2025, while public corporations' debt nudged upward US$0.2mln to US$48.4mln. Total public debt stood at US$712.5mln (98.4% of GDP) at December 2025.

Chart 5: Fiscal Balance (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Outlook

Domica's economy is projected to continue to expand, albeit at a more moderate pace, supported by projects linked to the country's economic modernization and development agenda, including the new international airport, investment in agriculture, and the transition to geothermal energy. The completion of multiple significant hotel projects is also likely to support an expansion in tourism activity. The IMF's latest forecasts suggest that real GDP will expand by 3.1% in 2026, while average inflation is projected to quicken from 2.3% in 2024 to 3.0% in 2025. The IMF projects that public debt will decline slowly over the medium-term, falling below 90% of GDP by 2029, hinged on planned gradual fiscal consolidation and sustained CBI receipts. Dominica's Fiscal Responsibility Act requires a minimum primary surplus of 2% of GDP by 2026, to reach the Eastern Caribbean Currency Union's goal of a 60% debt-to-GDP ratio by 2035. However, the IMF expects the primary surplus to fall short and public debt to exceed this long-term target. Further, elevated uncertainty in the global economic environment associated with heightened geopolitical tensions could pose a risk to the economic outlook.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	6.9	5.6	4.7	3.5	4.5	3.1	2.8
Inflation[1]	1.6	7.7	4.2	3.1	2.3	3.0	2.3
Primary Balance/GDP[2]	-5.6	-4.3	-2.0	-4.4	0.7	1.0	1.1
Fiscal Balance/GDP[2]	-8.2	-7.2	-4.5	-6.8	-1.3	-1.0	-1.0
Government Debt/GDP[2]	116.3	110.0	101.3	108.2	102.6	98.3	94.7
External Current Account/GDP	-33.5	-27.3	-40.4	-37.8	-38.0	-33.2	-25.4
Nominal GDP (US$ bln)	0.6	0.6	0.7	0.7	0.7	0.8	0.8

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Fiscal year basis [July (of the stated year) to June].

Dominican Republic

Summary of Key Performance Updates

Real GDP 2025	Unemployment Q4 2025	Inflation Feb 2026 (y/y)	DOP/USD Feb 2026	Debt/GDP Dec 2025
2.1%	5.0%	4.7%	62.2	57.5%

Production, Prices, and Employment

Economic activity in the Dominican Republic advanced 2.1% in 2025, moderating relative to 5.0% growth one year earlier. The expansion was underpinned by greater output in all major sectors, except construction attributed to a more gradual execution of private sector projects and slower demand for housing. However, uncertainty in the global economic environment linked to global tariff and trade policy adjustments likely influenced the softer pace of growth.

Agricultural activity climbed 3.7% reflecting a 5.4% expansion in agriculture and a 1.2% uptick in livestock forestry and fishing. Output of free-trade zone manufacturing rose 1.8%, while output local manufacturing increased 1.4% buttressed by higher production across all major subsectors, including food (1.2%), beverages and tobacco (up 0.9%), and petroleum refining products (up 2.2%). Mining and quarrying production expanded 4.6% y/y propelled by increased production of gold (up 7.7%) and construction materials (up 1.0%), but construction activity dipped 1.8%.

Output the services' sectors rose 2.8%. Value added of hotels, bars, and restaurants climbed 3.5% coinciding with a 3.8% expansion in stay-over arrivals during the year – though arrivals from the largest source market, the US, dipped 1.5% – while sea arrivals increased 5.6%. Activity in transport and storage and wholesale and retail trade also advanced, 4.1% y/y and 2.1% y/y, respectively, while real estate and rental activity rose 3.1%.

Since then, stay-over arrivals increased 10.0% y/y during January to February 2026 reflecting increased visitors from all major markets. Arrivals from the US, representing 32% of the total, rose 5.5% y/y, while visitors from Canada, South America and Europe, representing 21%, 16% and 12%, climbed 10.7% y/y, 17.2% y/y and 13.8% y/y, respectively. Meanwhile, non-resident Dominicans accounting for 13% of the total, rose 10.0% y/y, while visitors from Central America and the Caribbean (combined) increased 1.9% y/y. Arrivals by sea, predominantly cruise visitors, advanced 9.7% y/y during the two-month period, coinciding with a 6.9% y/y expansion in ship calls.

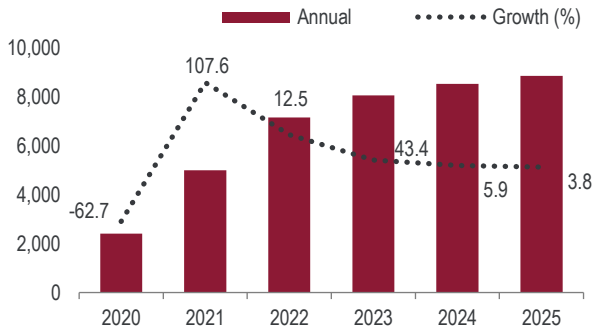
The unemployment rate rose to 5.0% in Q4 2025 from 4.8% in Q4 2024. The labour force expanded by 136,194 (2.6% y/y), while the number of employed persons increased by 117,948 (2.3%). The labour force participation rate stood at 66.1%, while the unemployment rate for males stood at 3.1%, and the rate for females stood at 7.5%.

Domestic inflation remained within the Central Bank's (BCRD) 3.0% to 5.0% target range since mid-2023. Consumer prices rose 4.7% y/y in February 2026, a modest quickening relative to 3.6% y/y, one year earlier. The price of food and non-alcoholic beverages climbed 7.2% y/y relative to 3.8% y/y in February 2025, while the prices of housing and transport increased 2.6% y/y and 2.8% y/y, from 1.9% y/y and 2.4% y/y, respectively.

Chart 1: Real GDP (%)

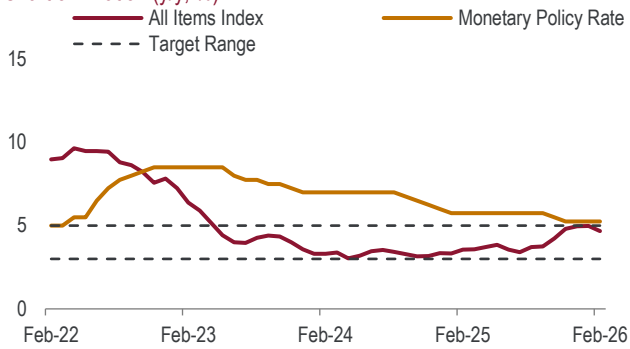
Source: Banco Central de la República Dominicana and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



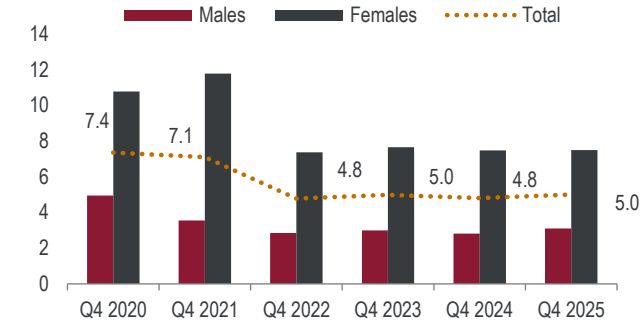
Source: Banco Central de la República Dominicana and CIBC Caribbean.

Chart 3: Inflation (y/y; %)



Source: Banco Central de la República Dominicana and CIBC Caribbean.

Chart 4: Unemployment Rate (%)



Source: Banco Central de la República Dominicana and CIBC Caribbean.

Developments in Financial Markets

After holding its monetary policy rate (MPR) stable since January 2025 at 5.75%, the BCRD reduced its MPR by 25bps in September and October in view of slowing domestic demand, inflation within the target range, and similar cuts in the US Federal Funds rate, but kept it at 5.25% since then. Likewise, the permanent liquidity expansion (repo) was reduced from 6.25% to 5.75%, but the overnight deposit rate was maintained at 4.50%. In June 2025, the Monetary Board authorized a liquidity provision program for financial institutions totaling RD$81bln, to facilitate credit to productive sectors and help boost economic growth amid low inflationary pressures. As at end-December 2025, RD$76.4bln had been disbursed.

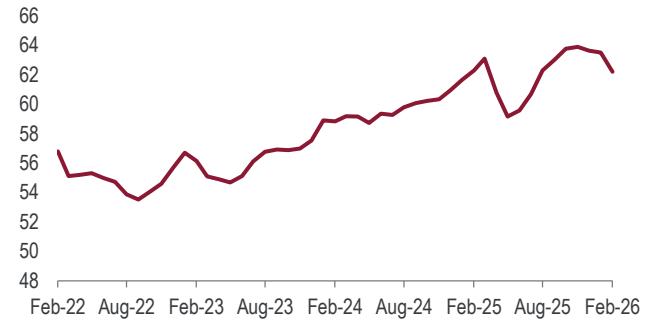
Loan growth of the consolidated financial system moderated to 7.8% over the 12 months to February 2026 following an 11.4% expansion one year earlier. Loans to the public and financial sectors declined 6.8% and 3.5%, respectively. However, private sector credit climbed 8.2%, driven by increased credit to the utilities (up 35.5%), construction (up 25.1%) and wholesale and retail trade (up 7.9%) sectors. Credit for the acquisition of housing advanced 11.5%, while consumer loans increased 3.9%. Consolidated deposit balances expanded 9.4% largely reflecting higher holdings of individuals (up 8.3%), private businesses (up 10.5%), and financial institutions (up 15.2%). The overall loan-to-deposit ratio stood at 76.9% at February 2026, relative to 78.0% one year earlier.

The financial system's non-performing loan ratio rose from 1.4% at December 2024 to 1.7% at December 2025, while the return on average assets slipped from 2.7% in 2024 to 2.5% in 2025. The capital adequacy ratio remained unchanged y/y at 17.4% at December 2025, well above the 10% regulatory minimum.

Commercial banks' domestic currency weighted average lending rate declined 242bps y/y to 13.27% at February 2026, while the deposit rate fell 286bps y/y to 6.14%. Banks' preferential loan rate dipped 166bps y/y to 10.29%, while the preferential deposit rate declined 287bps y/y to 8.05%.

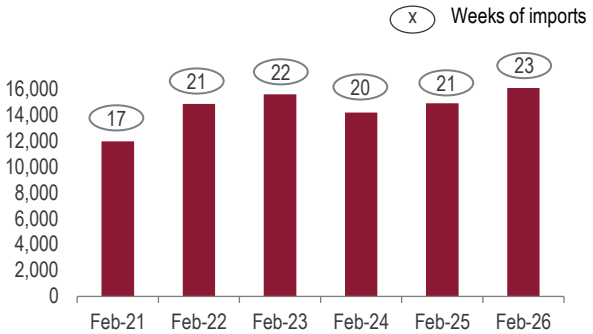
Despite increased family remittances (up 11.6% y/y to US$6.87bln over January to August) and greater tourism inflows, FX reserves slipped. Gross international reserves increased US$1.27bln (8.6% y/y) to US$16.18bln at February 2026 representing 5.3 months (23 weeks) of imports of goods and services. The DOP/USD exchange rate appreciated 0.2% y/y and 2.3% year-to-date to 62.2:1 in February 2026.

Chart 5: DOP/USD Exchange Rate



Source: Banco Central de la República Dominicana and CIBC Caribbean.

Chart 6: Gross Official Reserves (US$ bln)



Source: Banco Central de la República Dominicana and CIBC Caribbean.

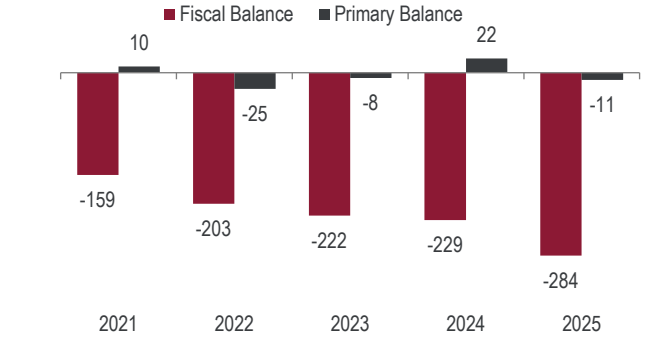
Fiscal Operations and Debt

Central Government's overall deficit worsened from RD$228.6bln (3.1% of GDP) in 2024 to US$283.6bln (3.6% of GDP) in 2025, while the primary balance weakened from a RD$21.9bln (0.3% of GDP) surplus to a RD$11.1bln (0.1% of GDP) deficit.

- Revenue advanced RD$33.83bln (2.8% y/y). Tax receipts rose RD$60.17bln (5.6% y/y), while other income increased RD$14.23bln (17.5% y/y), but donations and social contributions fell RD$39.88bln and RD$0.69bln, respectively. Taxes on income and profits climbed RD$35.33bln (9.3% y/y), US$20.72bln of which represented higher corporate income taxes, while taxes on goods and services rose RD$21.52bln (3.5% y/y), RD$14.59bln of which related to VAT. Taxes on international trade and transactions increased RD$1.95bln (2.8% y/y), property tax receipts recorded a RD$1.64bln uptick, but other taxes slipped RD$2.3mln.
- Expenditure increased RD$103.33bln (7.2% y/y) as current expenses climbed RD$78.98bln (6.1% y/y) and gross investment in non-financial assets rose RD$24.35bln (17.8% y/y). Compensation of employees rose RD$22.66bln (6.7% y/y), while payments for goods and services and interest increased RD$11.59bln (7.9% y/y) and RD$22.08bln (8.8% y/y), respectively. Donations, social benefits and other expenses rose RD$10.98bln, RD$5.99bln and RD$8.93bln, respectively, but subsidies dipped RD$3.24bln (2.4% y/y).

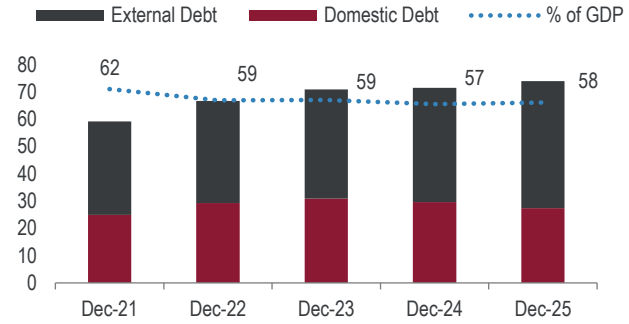
Total debt of the consolidated public sector rose US$2.53bln during the year to US$74.06bln (57.9% of GDP) at December 2025. Domestic debt increased US$2.25bln to US$27.46bln, while external debt increased US$4.78bln to US$46.60bln.

Chart 7: Central Government Fiscal Balance (RD$ bln)



Source: Banco Central de la República Dominicana and CIBC Caribbean.

Chart 8: Consolidated Public Sector Debt (US$ bln)



Source: Banco Central de la República Dominicana and CIBC Caribbean.

Outlook

Economic activity is projected to continue to expand with the IMF's latest estimates indicating that real GDP growth will strengthen to 3.7% in 2027. The Government's 2026 Budget aims to support the expansion by prioritizing growth-enhancing investment, including improving energy efficiency across the public sector, modernizing the national electricity distribution network, and strengthening health infrastructure. The IMF projects that the fiscal deficit will come in at around 3.5% of GDP, with modest improvement in the primary balance to a 0.2% of GDP surplus. Average inflation is projected to accelerate to 5.1% in 2025, just above the BCRD's target, likely reflecting spillovers from higher energy prices linked to shipping disruptions in the Strait of Hormuz. However, uncertainty around the economic outlook remains extremely high, as sustained energy price pressures could push inflation higher and curtail demand.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	14.0	5.2	2.2	5.0	2.1	3.7	4.4
Inflation[1]	8.2	8.8	4.8	3.3	3.9	5.1	4.5
Unemployment	7.4	5.3	5.3	5.1	5.3	5.3	5.2
Primary Balance/GDP	0.2	-0.4	-0.1	0.3	-0.1	0.2	0.5
Fiscal Balance/GDP	-2.9	-3.2	-3.3	-3.1	-3.6	-3.5	-3.2
Public Debt/GDP	62.8	59.6	60.5	58.8	59.0	58.3	56.7
External Current Account/GDP	-2.8	-5.8	-3.7	-3.3	-1.2	-1.5	-1.3
Nominal GDP (US$ bln)	95.1	113.8	120.8	124.6	127.9	136.1	144.2

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

Grenada

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Feb 2026 (y-t-d)	Cruise Arrivals Feb 2026 (y-t-d)	Inflation Dec 2025 (y/y)	Debt/GDP Sep 2025
4.4%	9.6%	-3.3%	0.6%	75.1%

Production, Prices, and Employment

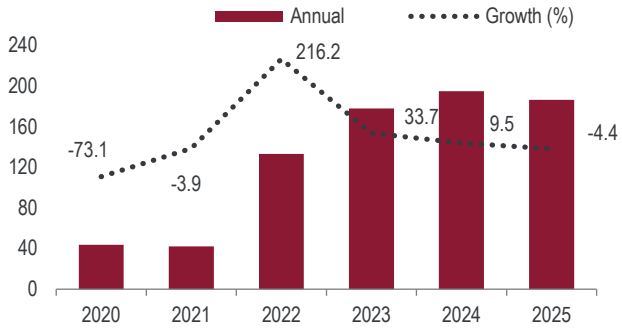
The Eastern Caribbean Central Bank (ECCB) estimates that real GDP advanced 4.4% in 2025, following 2.4% growth in 2024. Gains from robust investment and construction activity in aftermath of Hurricane Beryl likely more than offset the weak outturn for stay-over tourism activity.

On the heels of a 9.5% expansion in 2024, stay-over arrivals declined 4.4% in 2025, reflecting declines from all major source markets, except the Caribbean. Arrivals from the US, accounting for 45% of the total, fell 2.2%, while arrivals from the UK and Canada dipped 3.6% and 4.6%, respectively. However, visitors from other Caribbean territories posted a 1.2% uptick. In contrast, cruise passenger arrivals climbed 18.0% over the year, surpassing the pre-pandemic performance by 10% and supported by a 15.2% upturn in ship calls.

Since then, stay-over arrivals climbed 9.6% y/y during January to February 2026 reflecting increased visitors from all major markets, except the Caribbean. However, cruise passenger arrivals dipped 3.3% y/y during the two-month period.

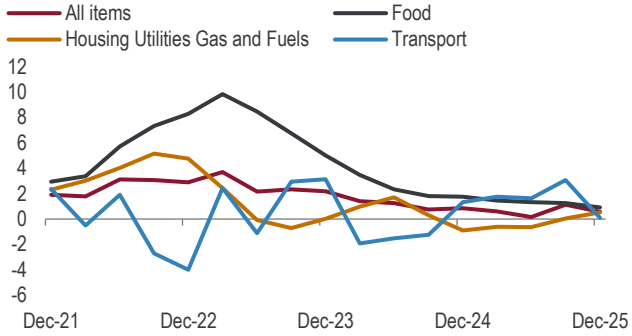
Inflation remained modest at 0.6% y/y in December 2025, relative to 0.8% y/y in December 2024. The price of food increased 0.9% y/y, while the price of 'housing utilities gas and fuels' rose 0.5% y/y, and the price of transport nudged upward 0.1% y/y.

Chart 1: Stay-Over Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



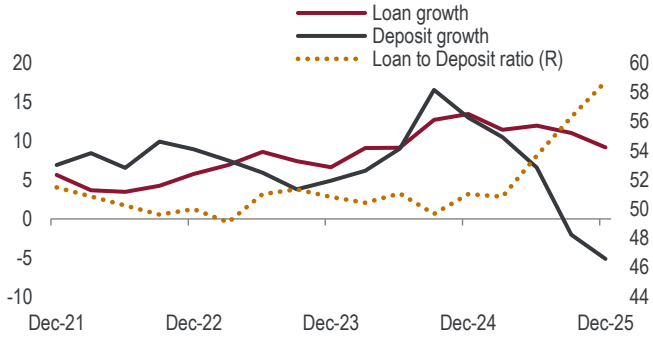
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit growth moderated but remained robust in 2025. Total loans advanced 9.2% following a 13.5% expansion in 2024. Personal loans climbed 15.4% reflecting higher balances of both mortgages (up 13.6%) and consumer loans (up 21.9%). Lending to the private corporate sector registered a 1.3% uptick. Meanwhile, deposit balances fell 5.1% y/y at December 2025. Holdings of corporate entities declined 16.7%, while deposits of individuals rose 4.3% and non-resident deposits increased 5.4%. As a result, the loan-to-deposit ratio increased 7.7 percentage points y/y to 58.7% at December 2025.

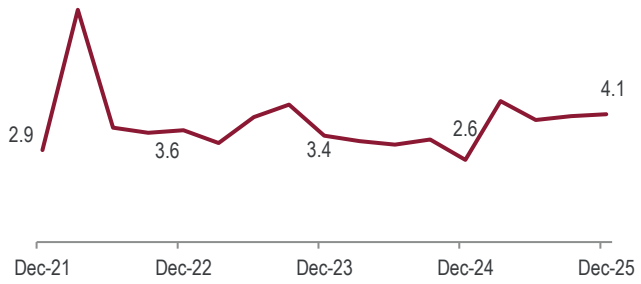
Banks' (local currency) weighted average loan rate remained unchanged y/y at 6.87%, while the corresponding deposit rate fell 1bps y/y to 0.95%. Asset quality weakened and profitability dipped. The non-performing loan ratio increased from 2.6% at December 2024 to 4.1% at December 2025, while the annualised return on average assets declined from 1.2% in Q4 2024 to 0.5% in Q4 2025. The regulatory capital to risk-weighted assets ratio increased to 16.0% in December 2025 from 14.5% one year earlier.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

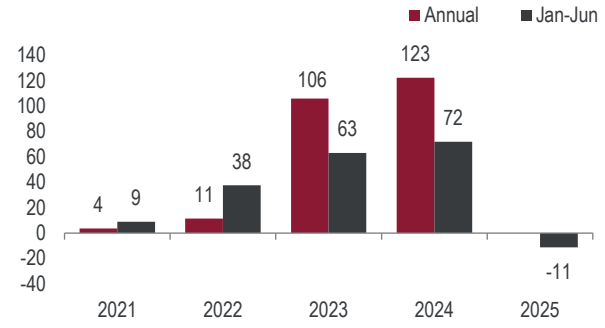
Data on fiscal operations after Q2 2025 remained unavailable up to publication time.

A fall-off in Citizenship by Investment (CBI) receipts and a pick-up in capital spending led to a US$83.3mln weakening of Government's fiscal balance to an US$11.3mln deficit during January to June 2025.

- Current revenue declined US$44.6mln (16.5% y/y). Tax receipts increased US$6.9mln (4.1% y/y) as higher collections on goods and services (up US$4.9mln), income and profits (up US$3.4mln) and international trade and transactions (up US$2.0mln) eclipsed a US$3.3mln reduction in property tax receipts. However, non-tax revenue contracted US$51.5mln (51.4% y/y) curbed by a US$53.5mln reduction in CBI receipts that likely reflects normalization following the processing of a large application backlog one year earlier. Grant revenue registered a US$2.4mln uptick.
- Current spending increased US$7.2mln (4.5% y/y). Payments for goods and services declined US$9.4mln (21.4% y/y), while interest payments dipped US$2.3mln (24.6% y/y). Outlays for transfers and subsidies and personal emoluments rose US$15.9mln (33.7% y/y) and US$2.9mln (5.0% y/y), respectively. Meanwhile, capital spending climbed US$34.4mln to US$77.5mln, during the six-month period.

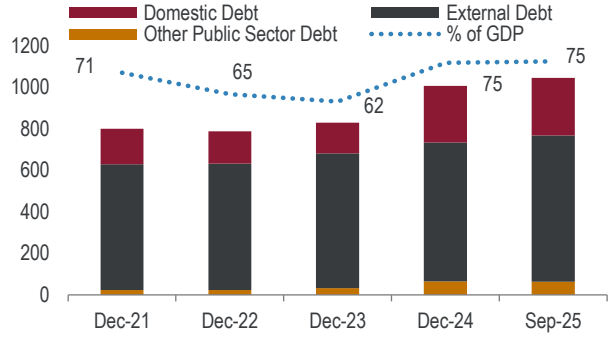
Central Government debt increased US$39.6mln since December 2024 to US$982.4mln at September 2025, while debt of public corporations dipped US$1.5mln. Total public debt, now including non-guaranteed debt of state-owned enterprises (in line with the revised debt definition of the Government's 2023 Fiscal Responsibility Act (FRA)) stood at US$1.05bln (75.1% of GDP) at September 2025.

Chart 5: Fiscal Balance (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean

Outlook

Grenada's economy is projected to continue to expand. The IMF's latest estimates suggest 3.1% growth in 2026 and 2027. Significant public infrastructural work, including Government's healthcare transformation project, Project Polaris, is expected to continue to sustain the economic expansion, alongside greater tourism activity supported by increased capacity. Average inflation is projected to quicken in 2026 but remain modest. To support continued reconstruction activity, Government's 2026 Budget extends the suspension of the primary balance floor for another year. The IMF projects that following an estimated 1.4% of GDP primary deficit in 2025, Government will post a 3.3% of GDP primary deficit in 2026, before returning to the 1.5% of GDP primary balance floor in 2027. Additional expected borrowing is expected to slow down the decline in public debt, now expected to reach 60% of GDP target by 2033. Notwithstanding the generally favourable economic outlook, the potential impact of escalating geopolitical tensions in the Middle East and associated uncertainty exposes Grenada to significant downside risk.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	4.7	7.3	4.5	2.4	4.4	3.1	3.1
Inflation[1]	1.2	2.6	2.7	1.1	0.6	1.3	1.6
Primary Balance/GDP	2.1	2.6	9.4	10.3	-1.4	-3.3	1.5
Fiscal Balance/GDP	0.3	0.9	7.9	6.9	-5.0	-5.1	-0.1
Public Debt/GDP	86.6	79.3	74.5	75.1	71.6	69.0	69.5
External Current Account/GDP	-14.4	-12.1	-20.3	-21.9	-17.8	-18.3	-15.9
Nominal GDP (US$ bln)	1.1	1.2	1.3	1.4	1.4	1.5	1.6

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

Guyana

Summary of Key Performance Updates

Real Oil GDP 2025	Real Non-Oil GDP 2025	Inflation Feb 2026 (y/y)	GYD/USD Mar 2026	Debt/GDP Dec 2025
21.0%	14.3%	2.9%	208.5	27.8%

Production, Prices, and Employment

Guyana's economic surge moderated to 19.3% in 2025 following a 43.8% expansion in 2024, but remained a dramatic outlier relative to regional peers, representing the sixth consecutive year of double-digit growth. The oil economy broadened 21.0% propelled by the introduction of Guyana's fourth Floating Production Storage and Offloading (FPSO), One Guyana, alongside a strong performance at existing projects. The non-oil economy advanced 14.3% reflecting a robust broad-based outturn across all economic sectors, echoing the broadening of oil output and buttressed by strong public and private investment.

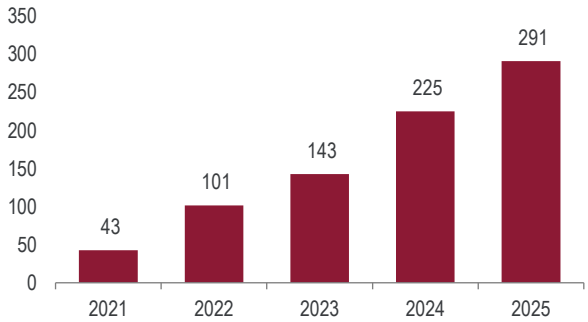
Mining and quarrying output advanced 21.0%. Crude oil production climbed 29.2% to 291 million barrels in 2025 with average daily production increasing to ~716,000 barrels from 616,000 barrels in 2024, though it peaked closer to 900,000 barrels by year-end. Stone and sand production rose 68.3% and 20.0%, respectively, bolstered by a 31.0% surge in construction output, while output of bauxite more than doubled (up 129.0%), gold declarations increased 11.6%, but diamond output contracted 24.2%.

The agricultural sector expanded 11.5% reflecting increased output of all major subsectors including sugar cane (up 26.5%), rice (up 15.7%), other crops (up 11.1%), livestock (up 12.5%), forestry (up 2.7%) and fishing (up 6.5%). Manufacturing activity climbed 20.0% boosted by gains in other manufacturing, mostly pharmaceuticals, and supported by upticks in sugar and rice manufacturing.

Activity in the services' sector grew 8.9% largely reflecting higher output of transport and communication, wholesale and retail trade, professional scientific and technical services, finance and insurance activities, real estate activities and administrative and support services.

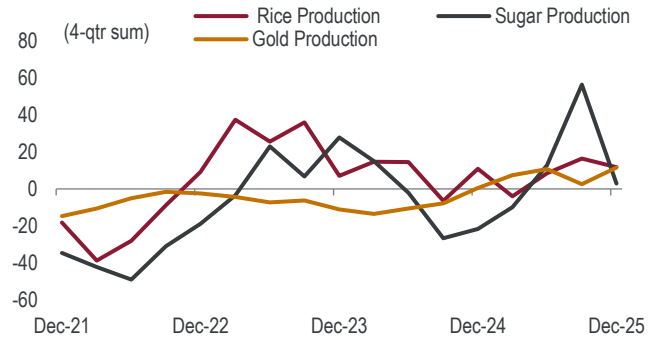
Consumer prices rose 2.9% y/y in February 2026, mildly slower relative to 3.0% y/y one year earlier. The price of food in particular climbed 5.9% y/y, but the prices of housing and transport and communication dipped 1.1% y/y and 1.4% y/y, respectively.

Chart 1: Crude Oil Production (mln barrels)



Source: Bank of Guyana and CIBC Caribbean.

Chart 2: Production of Major Commodities (y/y; %)



Source: Bank of Guyana and CIBC Caribbean.

Developments in Financial Markets

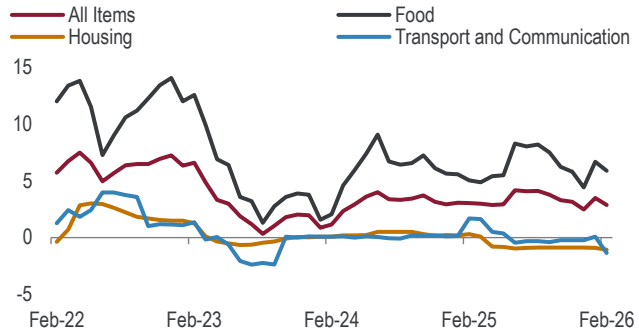
Activity in the commercial banking system remained robust consistent with burgeoning economic activity. Total loans advanced 17.9% in 2025, a similar pace relative to one year earlier, bolstered by an 18.6% expansion in credit to the private sector. Specifically, loans to private business firms rose 13.7%, while real estate mortgages and consumer loans climbed 19.0% and 36.9%, respectively. Conversely, lending to the public sector dipped 2.2%. Banks' deposit balances surged 23.5%, a slight quickening relative to 21.9% one year earlier. Higher private sector holdings drove the increase, with balances of businesses and individuals increasing 31.5% and 22.6%, respectively. Public sector deposits also rose (up 16.6%). The overall loan-to-deposit ratio fell from 47.3% at December 2024 to 45.2% at December 2025. However, excess cash reserves held at the Bank of Guyana dipped US$87.0mln (12.5% y/y) to US$316.4 at December 2025.

The quality of banks' asset portfolio continued to improve supported by the credit boom, while profitability increased modestly. The non-performing loan ratio fell from 1.8% in December 2024 to 1.3% in December 2025, while the return on assets increased from 2.2% in 2024 to 2.5% in 2025. The capital adequacy ratio slipped 0.7 percentage points y/y to 16.9% at December 2025 but remained well above the prudential requirement of 8.0%.

The weighted average lending rate fell 30bps y/y to 7.71% at February 2026, while the average small savings interest rate remained at 0.81% over the 12-month period.

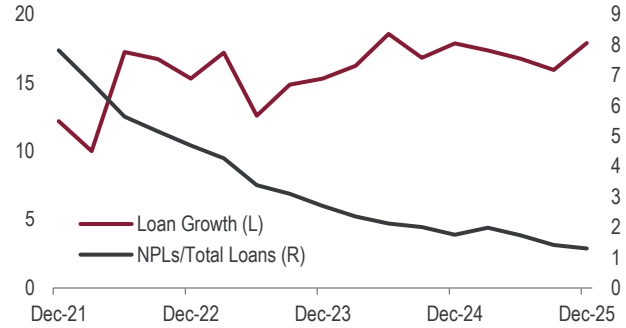
Gross international reserves at the Bank of Guyana rose US$237.0ln (4.0%) y/y to US$1.23bln at February 2026. The Bank of Guyana maintained the exchange rate at GY$208.5:US$1.

Chart 3: Inflation (y/y; %)



Source: Bank of Guyana, Guyana Bureau of Statistics and CIBC Caribbean.

Chart 4: Financial Indicators (%)



Source: Bank of Guyana and CIBC Caribbean.

Fiscal Operations and Debt

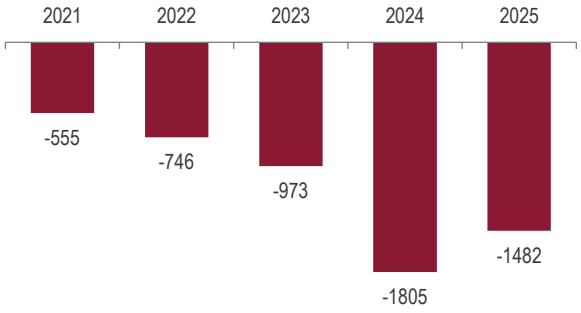
The Government's fiscal deficit narrowed from US$1.81bln (7.3% of GDP) in 2024 to US$1.48bln (5.5% of GDP) in 2025. The current account surplus expanded US$475.7mln to US$1.76bln, but the capital account deficit widened by US$152.2mln to US$3.24bln reflecting Government's planned infrastructural expansion.

- Current revenue jumped US$1.00bln (26.6% y/y) bolstered by a US$875mln increase in withdrawals from the Natural Resource Fund (NRF) totalling US$2.46bln during the year. Proceeds from carbon credit sales rose US$49.8mln, but other non-tax revenue fell US$26.4mln. Tax receipts rose US$72.2mln as taxes on income declined US$83.6mln, but taxes on production and consumption and international trade rose US$83.6mln and US$53.4mln, respectively. Other tax revenue climbed US$18.8mln. Meanwhile, capital receipts advanced US$34.0mln to US$47.4mln during the year.
- Current expenditure increased US$526.5mln (21.2% y/y). Transfer payments and personal emoluments expanded US$272.8mln and US$114.4mln, respectively, while outlays for goods and services rose US$108.5mln, and debt charges increased US$30.8mln. Capital spending climbed US$186.2mln (6.0% y/y), largely reflecting outlays for the housing, construction, transport, communication and power generation sectors.

Public debt (including publicly guaranteed debt) increased US$1.55bln y/y to US$7.54bln (27.8% of GDP) at December 2025. Domestic debt climbed US$866.6 to US$4.62bln, almost entirely due to greater net issuance of treasury bills, while external debt rose US$681mln to US$2.92bln, reflecting higher holdings of multilateral (up $577.8mln) and bilateral (up US$63.7mln) debt.

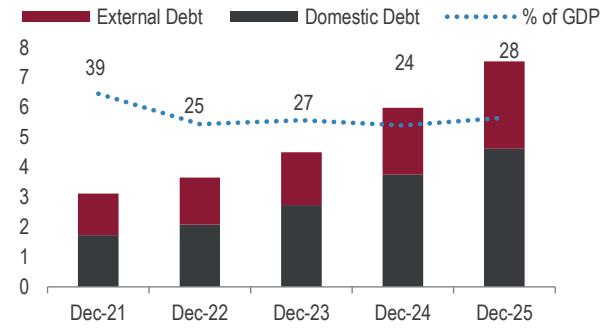
Government plans to withdraw a total of US$2.37bln from the NRF in 2026. The balance on the NRF stood at US$3.64bln at the end of March 2026.

Chart 5: Fiscal Balance (US$ mln)



Source: Bank of Guyana and CIBC Caribbean.

Chart 6: Public Debt (US$ bln)



Source: Bank of Guyana and CIBC Caribbean.

Outlook

The Guyanese economy is expected to continue to outperform the region fuelled by its rapidly expanding oil output. The IMF projects that real GDP will expand by 16.2% in 2026 driven by a 17.9% expansion of the oil and gas sector, while the non-oil sector is also anticipated to retain double-digit growth at around 10.8%. The full year operations of the fourth FPSO is expected to boost oil output, while greater activity in the construction, non-oil mining and quarrying, manufacturing, and services' sectors is expected to sustain the non-oil momentum, supported by ongoing investment in public infrastructure and private projects. As one of the world's fastest-growing oil producers, the sharp increase in oil prices due to the war in the Middle East will likely translate into higher government and export revenues. However, Government's importation of refined petroleum products coupled with higher shipping costs linked to other commodity imports increases inflationary pressures, though Government has implemented measures to neutralize domestic pass through to electricity and fuel prices at pump.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	20.1	63.3	33.8	43.8	19.3	16.2	19.7
Inflation[1]	4.5	6.9	2.8	2.9	3.3	4.1	5.1
Primary Balance/GDP	-6.5	-4.8	-5.3	-6.9	-5.0	-5.9	-3.4
Fiscal Balance/GDP	-6.9	-5.1	-5.6	-7.3	-5.4	-6.4	-3.8
Government Debt/GDP	38.9	24.8	26.7	24.3	28.6	29.2	28.0
External Current Account/GDP	-24.7	25.9	9.9	16.5	12.9	21.5	13.9
Nominal GDP (US$ bln)	8.0	14.7	16.9	24.7	27.1	34.0	39.2

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

Jamaica

Summary of Key Performance Updates

Real GDP 2025	Unemployment Q1 2026	Inflation Mar 2026 (y/y)	JMD/USD Mar 2026	Debt/GDP Dec 2025
0.0%	3.6%	3.9%	158.1	60.8%

Production, Prices, and Employment

On the heels of a 0.5% dip in 2024 attributed to Hurricane Beryl's impact and adverse US travel advisories, Jamaica's economy recorded a flat performance in 2025. After posting a 2.6% y/y rebound over the first nine months of the year, Hurricane Melissa's devastation spawned a sharp 7.1% contraction in Q4. The goods' producing sectors expanded 1.0% reflecting increased activity in all major subsectors except mining and quarrying. However, services' output slipped 0.3%.

Agricultural output shrank 17.7% y/y in Q4 reflecting the hurricane's impact on crop production, animal production, and fishing output tempering the expansion for the year to 3.0%. Manufacturing output nudged upward 0.6%, despite the 8.1% y/y fall-off in Q4 as increased production of other manufacturing (up 3.9%) eclipsed a 1.2% decline in the output of food and beverage manufacturing. Construction activity also increased, up 1.3% y/y, but mining and quarrying output declined 8.6% y/y as hurricane-related damage exacerbated the otherwise subdued performance linked to technical challenges and maintenance closures at the bauxite and alumina plants.

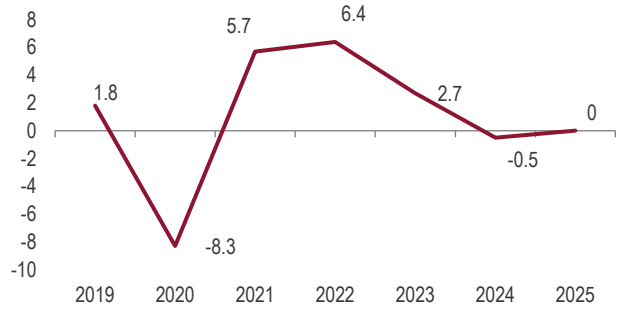
After declining by 0.5% in 2024, stay-over arrivals to Jamaica slumped 10.3% in 2025, curtailed by a 41% contraction in Q4. Arrivals from all key source markets fell, with arrivals from the US, accounting for 71% of the total, declining 11.0%, while arrivals from Canada and Europe dipped 13.5% y/y and 13.7% y/y, respectively. Arrivals from the Caribbean fell more moderately, 3.0%. Cruise visitor arrivals declined 11.7% following a subdued performance in 2024, coinciding with a more modest 5.1% y/y fall-off in ship calls, and remaining 29% below pre-pandemic levels. The fall-off in tourism demand partly linked to reduced room capacity led to a 5.4% downturn in the accommodation and food services' sector, while activity in transport storage and communication slipped 1.1%, and output of wholesale and retail trade registered a flat performance. However, finance and insurance activity expanded 3.1%.

Since then, stay-over arrivals declined 31.4% y/y during January to February 2026, while cruise visitors fell 5.9% y/y.

Despite the hurricane's shock to productive output, Jamaica's unemployment rate improved to 3.6% in Q1 2026 relative to 3.7% in Q1 2025, though the labour force participation rate fell from 68.4% to 66.8% over the same period. Job gains from initial reconstruction and recovery efforts also likely absorbed some of the hurricane-related losses.

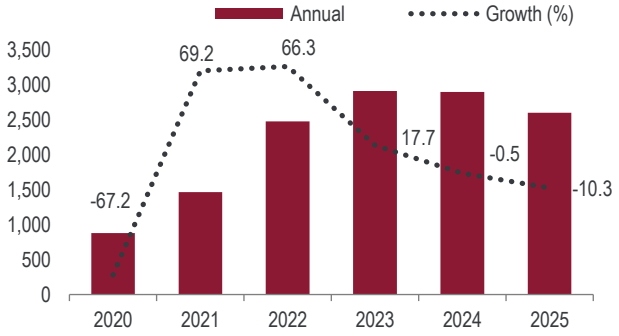
After falling below the Bank of Jamaica's (BOJ) 4% to 6% target range in mid-2025, inflation quickened but remained slower than the pace recorded one year earlier. Consumer prices rose 4.5% y/y in December 2025, mostly because of higher food prices, largely reflecting the hurricane's first-round impacts on the agricultural sector. However, agricultural supplies recovered more quickly than initially anticipated, supporting an easing of inflation to 3.9% y/y in February 2026.

Chart 1: Real GDP (%)



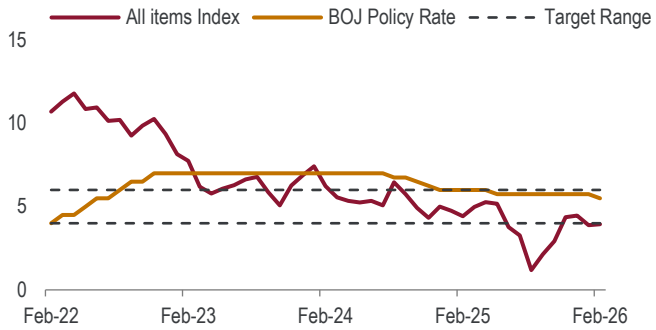
Source: Statistical Institute of Jamaica and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



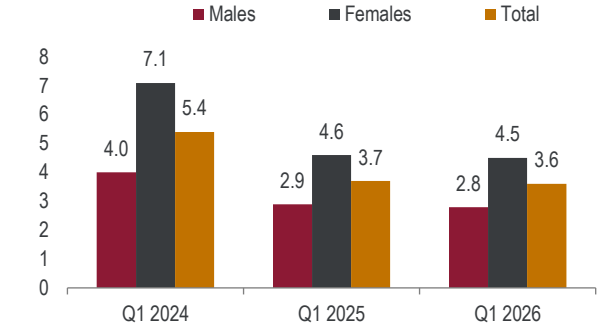
Source: Jamaica Tourist Board and CIBC Caribbean.

Chart 3: Inflation (y/y; %)



Source: Statistical Institute of Jamaica, Bank of Jamaica, and CIBC Caribbean.

Chart 4: Unemployment Rate (%)



Source: Statistical Institute of Jamaica and CIBC Caribbean.

Developments in Financial Markets

The better-than-expected inflation outturn underpinned the BOJ's decision to lower its policy rate by 25bps to 5.50% in February 2026 to support the economic recovery, after holding it steady since May 2025. The BOJ then opted to maintain the policy rate in March in view of the rising level of uncertainty that has emerged, stemming from the conflict in the Middle East which has led to a surge in international commodity prices. The BOJ also agreed to continue to take measures to preserve the relative stability of the foreign exchange market, including directly supplying FX to the energy sector.

The JMD/USD exchange rate appreciated 0.2% y/y but depreciated 1.5% year-to-date to 158.1:1 in March 2026, while FX sales to the market totalled US$1.12bln over the same period, US$2.8mln less than one year earlier.

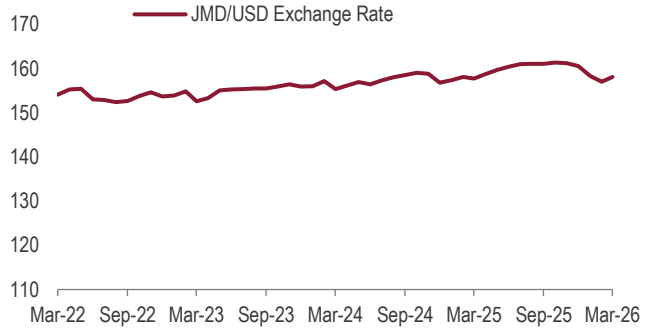
Gross international reserves climbed higher bolstered by external inflows related to hurricane relief and recovery, including US$91mln from the Caribbean Catastrophe Risk Insurance Facility (CCRIF), US$150mln from the World Bank's catastrophe bond, and US$415mln from the IMF's Rapid Financing Instrument. FX reserves increased US$1.09bln y/y to US$6.92bln at March 2026, representing 29 weeks of imports. Following a 3.8% increase in 2025, remittance inflows rose 4.2% y/y during January to February 2026.

Commercial banks' credit growth moderated to 5.4% over the 12 months to February 2026 following a 6.0% expansion one year earlier. Personal loans drove the expansion, advancing 8.5%, while lending to corporate clients rose 1.0%. Lower balances to the manufacturing and professional services' sectors largely offset higher balances to tourism and distribution. Deposits at banks advanced 12.7% reflecting higher holdings of individuals (up 11.1%), private businesses (up 12.8%), the public sector (up 15.8%) and financial institutions (up 18.6%). Local currency-denominated deposits increased 15.5%.

The overall loan-to-deposit ratio fell to 69.6% at February 2026, while the corresponding local currency ratio stood at 92.1%, a modest improvement from 97.9% at February 2025.

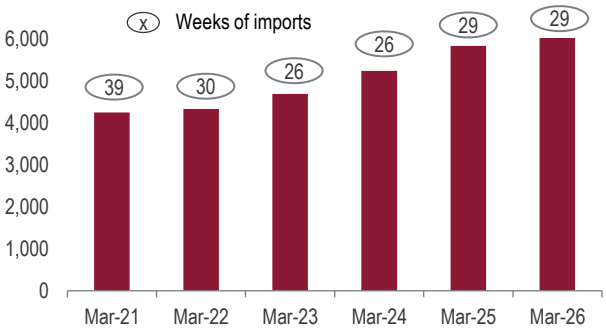
Banks' domestic currency weighted average lending rate rose 4bps y/y to 12.14% at February 2026, but the deposit rate fell 49bps y/y to 2.05%. Credit quality weakened slightly as the non-performing loan ratio rose to 2.8% at December 2025 from 2.4% at December 2024. However, the return on average assets increased from approximately 1.7% in 2024 to 1.9% in 2025 and the capital adequacy ratio nudged upward 0.3 percentage points y/y to 14.3% at December 2025.

Chart 5: JMD/USD Exchange Rate



Source: Bank of Jamaica and CIBC Caribbean.

Chart 6: Gross Official Reserves (US$ mln)



Source: Bank of Jamaica and CIBC Caribbean.

Fiscal Operations and Debt

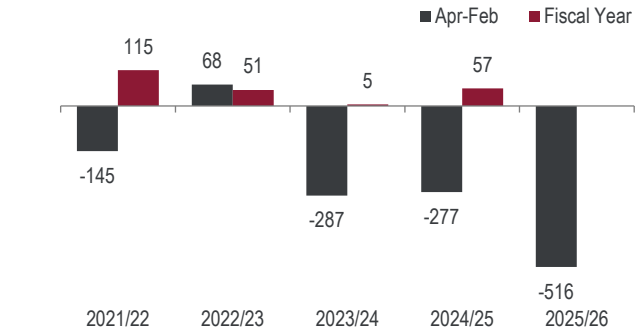
Government's fiscal deficit worsened by US$239mln to US$516mln during the first eleven months of FY2025/26 ended February 2026, as greater current spending overshadowed a pick-up in revenue collections.

- Total revenue and grants advanced US$241.3mln (4.2% y/y). Non-tax receipts climbed US$145.9mln (16.5% y/y) likely boosted by hurricane relief and insurance inflows, while tax revenue rose US$112.7mln (2.4% y/y). Taxes on income and profits increased US$94.9mln (6.5% y/y) bolstered by a US$104.7mln hike in PAYE receipts. Taxes on production and consumption increased US$28.7mln (1.8% y/y) primarily due to higher collections of the special consumption tax (SCT) (up US$25.3mln) and the education tax (up US$10.5mln), but taxes on international trade dipped US$10.9mln (0.6% y/y) partly owing to a US$17.2mln fall-off in travel taxes. Grant revenue declined US$18.8mln (52.9% y/y).
- Expenditure climbed US$480.6mln (8.0% y/y). Current spending increased US$549.2mln (9.7% y/y) driven by higher outlays for wages and salaries and programmes, up US$335.6mln and US$277.0mln, respectively. However, interest payments on public debt fell US$63.4mln (6.1% y/y), primarily reflecting lower payments on external debt (down US$ 74.2mln). Capital spending contracted US$68.6mln (22.2% y/y) during the eleven-month period.

Central Government debt fell US$117.8mln since March 2025 to US$13.95bln at December 2025 reflecting a US$400.1mln reduction in external debt, and a US$282.3mln upswing in domestic debt. Public debt declined to US$13.69bln, now representing 62.5% of GDP (partly due to methodological revisions to GDP) at December 2025.

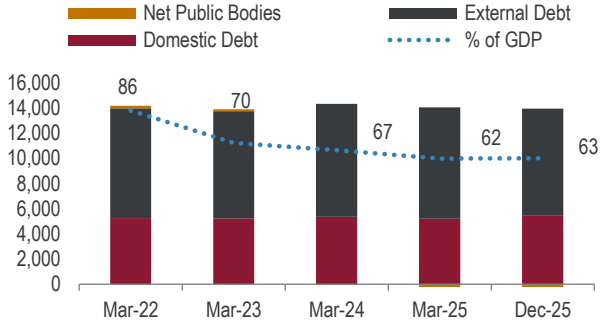
On December 18, Standard and Poor's revised the outlook on its 'BB' sovereign credit rating from 'positive' to 'stable', while Moody's upgraded its rating for Jamaica from 'B1' to 'Ba3' on December 19, and assigned a stable outlook.

Chart 7: Fiscal Balance (US$ mln)



Source: Jamaica Ministry of Finance and CIBC Caribbean.

Chart 8: Government Debt (US$ bln)



Source: Jamaica Ministry of Finance and CIBC Caribbean.

Outlook

Following the flat outturn in 2025, Jamaica's economy is projected contract in 2026. The IMF's latest projections indicate that real GDP will decline by 2.8% in 2026, before rebounding with 3.6% growth in 2027. The BOJ expects that inflation will trend upward during the year, possibly exceeding the target range, consistent with the sharp increase in international commodity prices and shipping costs. Notwithstanding the expected fall-off in tourism receipts, FX reserves are projected to remain elevated, propped by inflows from disaster risk instruments and support from international financial institutions. Despite the suspension of its fiscal rules for FY2025/26 and FY2026/27, Government remains committed to prudent financial management. IMF projects that the primary surplus will fall from 1.7% of GDP in FY2025/26 to 0.2% of GDP in FY2026/27, while public debt is projected to climb to 68.6% of GDP by March 2026. However, the economic outlook remains vulnerable to the duration and magnitude of the external shock stemming from the conflict in the Middle East.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	5.7	6.4	2.7	-0.5	-0.1	-1.2	3.1
Inflation[1]	5.9	10.3	6.5	5.5	3.9	6.1	5.5
Primary Balance/GDP[2]	6.2	5.3	5.2	5.4	1.3	0.6	1.9
Fiscal Balance/GDP[2]	0.8	0.3	0.0	0.2	-3.8	-4.9	-3.1
Public Debt/GDP[2]	86.3	70.2	66.5	62.5	67.7	65.8	65.0
External Current Account/GDP	0.9	-0.7	2.7	2.9	1.2	-6.0	-6.6
Nominal GDP (US$ bln)	16.0	18.7	21.3	21.9	22.3	23.0	23.9

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Fiscal year basis (April to March).

St. Kitts and Nevis

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Dec 2025 (y-t-d)	Cruise Arrivals Dec 2025 (y-t-d)	Inflation Dec 2025 (y/y)	Debt/GDP Sep 2025
2.7%	2.8%	20.7%	1.4%	50.8%

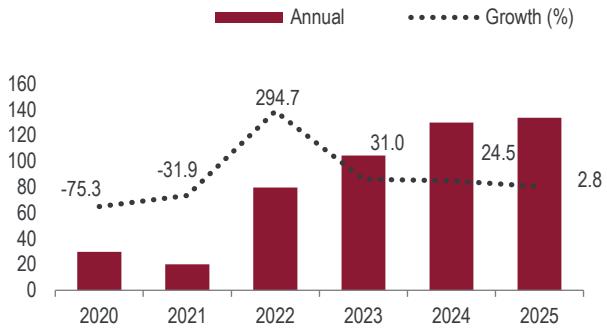
Production, Prices, and Employment

The Eastern Caribbean Central Bank (ECCB) latest estimates suggest that real GDP advanced 2.7% in 2025, following a 0.3% expansion in 2024.

Stay-over arrivals rose 2.8% in 2025, supported by increased airlift and successful marketing. Visitors from the US, representing 61% of the total climbed 7.0%, while visitors from Canada and the Caribbean advanced 51.1% and 9.0% respectively. However, arrivals from the UK and the rest of the world declined 32.8% and 35.7%, respectively. Cruise passenger arrivals surged 20.8% y/y, coinciding with a 34.7% upturn in ship calls, but remained below the pre-pandemic total by 12%.

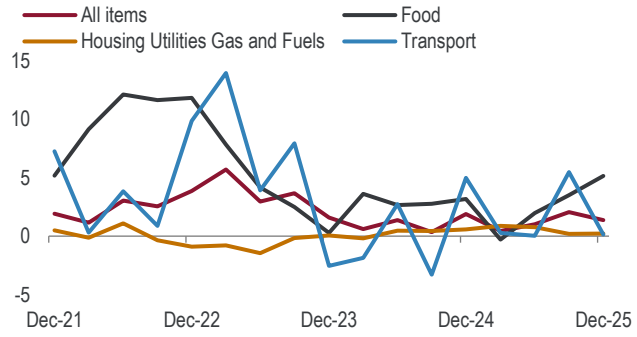
Consumer inflation quickened to 1.4% y/y December 2025, relative to 1.9% y/y one year earlier. The price of food rose 5.1% y/y, while the prices of 'housing utilities gas and fuels' and transport increased 0.2% y/y and 0.1% y/y, respectively.

Chart 1: Stay-Over Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC First Caribbean.

Chart 2: Inflation (y/y; %)



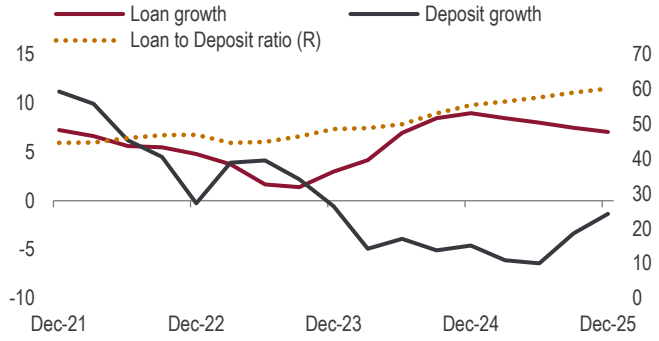
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Following a 9.0% expansion in 2024, commercial banks' credit growth moderated, but remained robust at 7.0% in 2025. Personal loans climbed 15.3% reflecting a 14.7% expansion in consumer loans and a 15.5% rise in household mortgages. Balances to corporate clients increased 2.2%, lending to the public sector surged 15.3%, but private business lending dipped 0.1%. However, banks' deposit balances declined 1.3% as holdings of individuals rose 4.5%, but corporate balances fell 5.8%. Consequently, the loan-to-deposit ratio rose 4.7 percentage points y/y to 60.1% at December 2025.

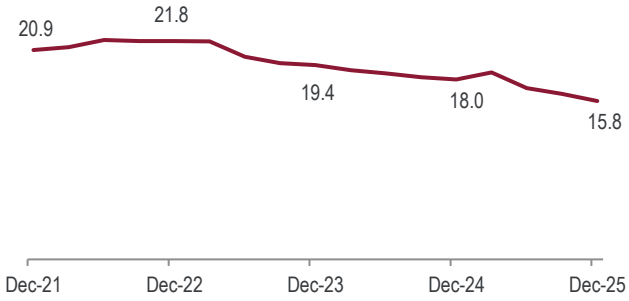
Banks' (local currency) weighted average loan rate increased 5bps y/y to 6.27% at December 2025, while the corresponding deposit rate fell 4bps y/y to 1.19%. Banks' asset quality and profitability improved in 2025. The non-performing loan ratio fell from 18.0% at December 2024 to 15.8% at December 2025, while the annualized return on average assets rose from 1.1% in Q4 2024 to 2.0% in Q4 2025. The capital adequacy ratio increased 3.4 percentage points y/y to 16.3% at December 2025.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

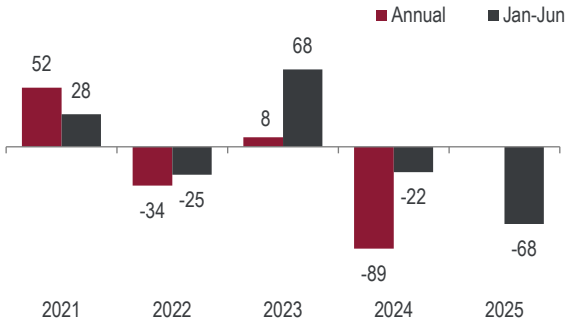
Data on fiscal operations after Q2 2025 remained unavailable up to publication time.

Government's fiscal deficit weakened from US$22.1mln to US$67.7mln during January to June 2025 primarily reflecting the continued decline in Citizenship by Investment (CBI) receipts.

- Current revenue contracted US$39.8mln (22.2% y/y). Tax receipts dipped US$2.7mln (2.7% y/y), as taxes on income and profits and international trade and transactions both increased US$0.7mln, but taxes on goods and services declined US$3.9mln – US$1.6mln of which related to lower VAT receipts amid the temporary reduction in the rate from 17% to 13% – and property tax collections slipped US$0.3mln. Meanwhile, a sharp fall-off in Citizenship by Investment (CBI) receipts (down US$37.6mln) attributed to reforms amid international scrutiny, led to a US$37.0mln (48.3% y/y) reduction in non-tax revenue. Grant receipts rose US$2.8mln, while capital revenue nudged upward US$0.3mln.
- Current spending increased US$8.4mln (4.4% y/y) as payments for goods and services (up US$3.9mln) and transfers and subsidies (up US$ 5.6mln) overshadowed declines in personal emoluments (down US$0.9mln) and interest payments (down US$0.3mln). Capital spending registered a US$0.6mln (2.0% y/y) uptick.

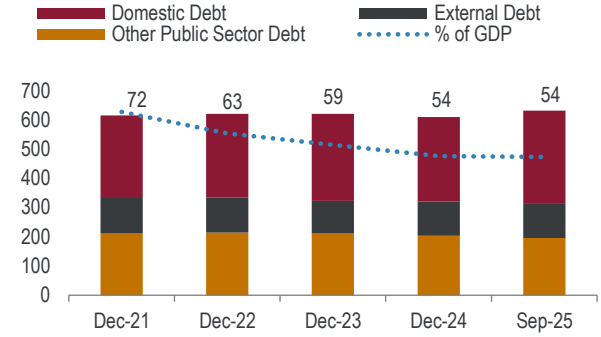
Government relied largely on fiscal savings to fund its operations during the half-year. Central Government debt rose US$28.4mln since December 2024 to US$435.5mln at September 2025, while the debt of public corporations fell US$7.0mln to US$196.4mln. Total public debt stood at US$631.9mln (54.1% of GDP) at September 2025.

Chart 5: Fiscal Indicators (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Outlook

The IMF's latest projections suggest that economic activity in St. Kitts and Nevis will advance by 2.0% in 2026. Growth will likely be supported by the ongoing tourism expansion, renewable energy projects and greater construction output. Average inflation is projected to quicken from 1.3% in 2025 to 2.2% in 2026. Despite fiscal efforts to rationalize current spending and mobilize tax revenue, structurally lower CBI receipts amid reforms are expected to keep fiscal deficits high over the next few years, while public debt is expected to reverse its downward trajectory increasing beyond the 60% by the end of 2026. Elevated global policy uncertainty linked to CBI programs continues to pose a risk to the fiscal outlook. Further, dwindling CBI savings imply limited space for a fiscal response to external shocks, including the potential impact of escalating geopolitical tensions in the Middle East on domestic inflation and economic growth.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	0.6	10.5	4.6	1.7	1.5	2.0	2.5
Inflation[1]	1.2	2.7	3.6	1.1	1.3	2.2	2.1
Primary Balance/GDP	6.7	-3.0	1.4	-10.0	-10.4	-7.5	-5.4
Fiscal Balance/GDP	5.5	-4.2	0.2	-11.3	-11.7	-8.7	-7.5
Government Debt/GDP	73.0	64.5	60.0	58.1	58.4	64.0	68.7
External Current Account/GDP	-3.4	-10.8	-13.7	-13.0	-14.6	-15.4	-14.2
Nominal GDP (US$ bln)	0.8	1.0	1.0	1.1	1.1	1.1	1.2

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

St. Lucia

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Feb 2026 (y-t-d)	Cruise Arrivals Dec 2025 (y-t-d)	Inflation Dec 2025 (y/y)	Debt/GDP Sep 2025
1.7%	2.7%	-7.7%	0.3%	75.9%

Production, Prices, and Employment

The IMF's latest estimates suggest that St. Lucia's economic growth softened to 1.7% in 2025, following a strong 4.7% expansion in 2024. Tourism activity weakened, but strong construction activity, alongside robust domestic demand and credit growth likely buttressed the outturn.

Stay-over arrivals dipped 2.1% in 2025 partly attributed to reduced airlift capacity. Arrivals from the US, representing 57% of the total, rose 4.4% but arrivals from the UK and Canada, together accounting for another 27%, contracted 19.7% and 9.4%, respectively. Arrivals from the Caribbean slipped 0.1%, while arrivals from all other markets fell 3.9%. After achieving 92% of 2019's level in 2024, cruise passenger arrivals contracted 7.7% partly attributed to the recent hike in the cruise-head tax, which likely affected the attractiveness of the destination.

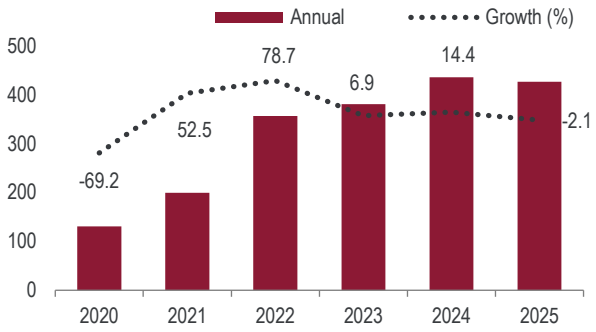
The fall-off in visitor arrivals likely also suppressed activity in related sectors, including wholesale and retail trade and transportation. However, public sector projects, including the St. Jude's Hospital and the West Coast Road Rehabilitation Project, bolstered construction output. Private sector investment also supported the construction upswing, mostly concentrated in tourism and commercial activity.

Since then, stay-over arrivals rose 2.7% y/y during January to February 2026.

The unemployment rate increased to 12.1% in Q3 2025 from 11.8% one year earlier. The labour force expanded by 7,244 persons (6.6% y/y), while the number of employed persons increased by 6,027 (6.2% y/y). The unemployment rate for males stood at 8.0%, while the rate for females stood at 16.7%.

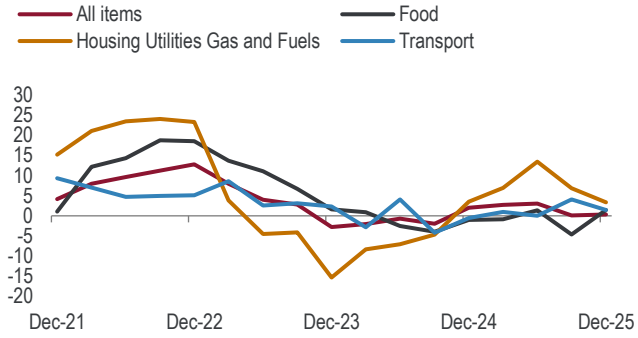
Inflation eased to 0.3% y/y in December 2025 relative to 2.0% y/y one year earlier. The prices of food and transport rose 1.4% and 1.5% y/y, respectively, while the price of 'housing utilities gas and fuel' increased 3.4% y/y.

Chart 1: Stay-Over Tourist Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



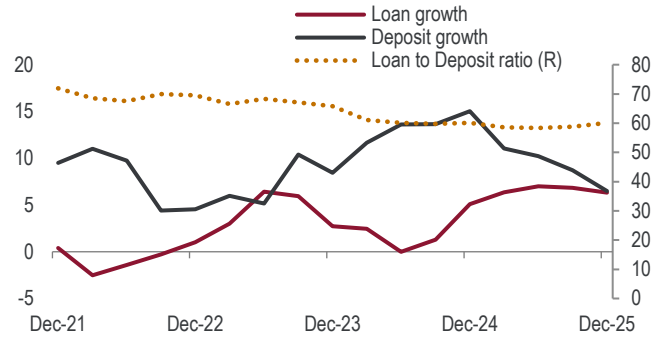
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit growth remained robust, accelerating to 6.3% in 2025 on the heels of a 5.1% expansion in 2024. Loans to corporate clients climbed 7.8% as a 4.7% fall-off in credit to the public sector tempered an 8.8% rise in credit to private business entities, largely concentrated in the wholesale and retail trade, utilities, construction and real estate sectors. Personal loans grew 4.1%, reflecting a 7.7% rise in consumer loans, and a 2.1% uptick in mortgage balances. Banks' deposit holdings rose 6.5%, slowing relative to 15.0% growth in 2024. Personal deposits expanded 7.0%, while the balances of corporates advanced 3.8%. As a result, the loan-to-deposit ratio fell marginally y/y to 60.0% at December 2025.

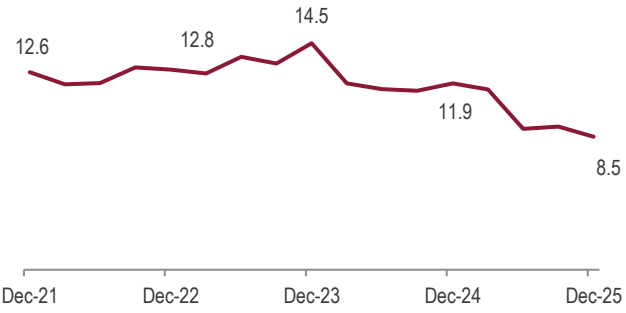
Banks' (local currency) weighted average loan rate rose 5bps y/y to 6.27% at December 2025, while the corresponding deposit rate declined 4bps y/y to 1.19%. Loan quality continued to improve as the non-performing loan ratio declined from 11.9% at December 2024 to 8.5% at December 2025, but profitability dipped as the annualised return on average assets fell from 1.6% in Q4 2024 to 1.2% in Q4 2025. The capital adequacy ratio increased 0.7 percentage points y/y to 16.5% at December 2025, remaining well above the 8% prudential threshold.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

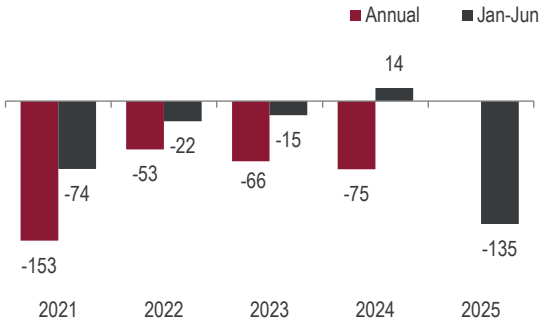
Data on fiscal operations after Q2 2025 remained unavailable up to publication time.

Government's fiscal balance deteriorated from a US$14.2mln surplus to a US$134.5mln deficit during January to June 2025 as a surge in capital spending outweighed an uptick in revenue collections.

- Revenue advanced US$12.9mln (4.3% y/y). Grant revenue dipped US$7.1mln, partially offsetting a US$20mln expansion in current revenue. Tax receipts rose US$19.2mln (7.3% y/y) bolstered by higher collections on income and profits (up US$9.7mln), goods and services (up US$5.9mln), mostly excise taxes, and international trade and transactions (up US$4.7mln). However, property taxes fell US$1.1mln. Non-tax receipts nudged upward US$0.8mln (2.6% y/y), driven by a US$1.1mln uptick in Citizenship by Investment (CBI) inflows.
- Current spending fell US$3.3mln (1.4% y/y) suppressed by a US$20.3mln (32.2% y/y) contraction in transfers and subsidies. Conversely, payments for goods and services increased US$8.2mln (14.1% y/y), while interest payments climbed US$5.3mln (12.4% y/y), US$2.9mln of which related to external debt, and personal emoluments rose US$3.7mln (4.9% y/y). Meanwhile, capital spending climbed US$164.9mln to US$210.7mln, reflecting work done on several new and ongoing infrastructural development projects.

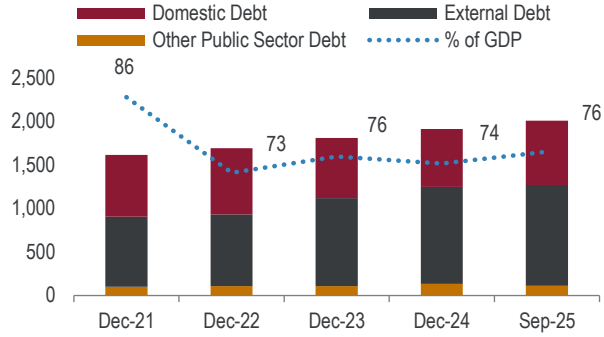
Government financed its operations during the six-month period largely through increased domestic financing. Central Government debt increased US$120.6mln since December 2024 to US$1.89bln at September 2025, while debt of public corporations fell US$22.2mln to US$111.3mln. Total public debt stood at US$2.01bln (75.9% of GDP) at September 2025.

Chart 5: Fiscal Balance (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Outlook

St. Lucia's economy is projected to continue to expand in 2026 supported by a pick-up in tourism activity amid the reopening of major hotels and new property entrants. Ongoing projects in the private sector alongside Government's improved implementation of infrastructural development projects is also expected to bolster construction output. The IMF's latest estimates suggest that economic activity will expand by 2.0% in 2026, while average inflation is expected to pick up pace but remain modest. Government's fiscal performance is projected to stabilize but remain challenging amid elevated public debt and large roll-over requirements, while public debt is unlikely to reach the 60% debt-to-GDP anchor set by the ECCB for 2035, in the absence of further fiscal effort. Further, spikes in global oil and other commodity prices stemming the US-Israel-Iran conflict could imply more intensified upward pressure on domestic inflation, with adverse implications for growth and public finances.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	11.3	20.6	3.3	4.7	1.7	2.0	1.7
Inflation[1]	2.4	9.7	3.8	-0.7	2.0	2.5	2.4
Primary Balance/GDP[2]	-2.2	1.0	0.2	1.5	0.3	0.4	0.6
Fiscal Balance/GDP[2]	-5.4	-2.5	-3.2	-1.8	-2.9	-2.9	-2.9
Government Debt/GDP[2]	81.9	73.9	75.2	76.7	77.1	77.5	77.7
External Current Account/GDP	-10.4	-3.3	-2.2	-1.6	-4.6	-4.6	-3.8
Nominal GDP (US$ bln)	1.9	2.3	2.4	2.6	2.7	2.8	2.9

Source: IMF World Economic Outlook Database, April 2026.
[1]Average for the period; [2] Fiscal year basis [April (of stated year) to March].

Sint Maarten

Summary of Key Performance Updates

Real GDP Q3 2025	Air Arrivals Dec 2025 (y-t-d)	Inflation Q4 2025	FX Reserves Feb 2026	Debt/GDP Sep 2025
3.5%	15.9%	0.4%	23 weeks	39.9%

Production, Prices, and Employment

The Centrale Bank van Curaçao en Sint Maarten (CBCS) estimates that real GDP advanced 3.5% y/y in Q3 2025, accelerating relative to 2.7% growth one year earlier. The expansion reflected increased activity across all economic sectors, particularly, tourism, wholesale and retail trade and utilities.

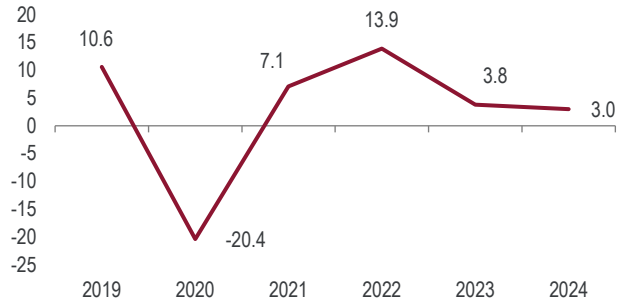
Value-added in the accommodation and food services sector expanded 5.5% y/y during the quarter. Stay-over arrivals expanded in Q3, but the updated immigration data processing system introduced in November 2024 to enhance data accuracy suggests that the data may not be fully comparable with Q1 2024. Using adjusted airport arrival data as a proxy, the CBCS estimates that air arrivals rose across all major source markets. Meanwhile, cruise passenger arrivals surged 23.3% y/y, supported by larger ships and increased calls. The increase in tourism spending coupled with improved domestic demand contributed to a 5.6% expansion in wholesale and retail trade.

Construction activity rose 2.3% y/y supported by commercial and residential projects but slowed relative to Q3 2024, consistent with the completion of reconstruction activity at the airport terminal building at the end of 2024. Output of real estate and other services rose 2.0% y/y, while activity in agriculture, fishing, mining and manufacturing rose 1.4% y/y primarily on account of greater yacht repair and marine maintenance-related activity.

Overall for the year, air arrivals climbed by an estimated 15.9%, while cruise passenger arrivals increased 16.3%, falling short of the pre-pandemic level by 2%, and in line with a 15% upswing in ship calls.

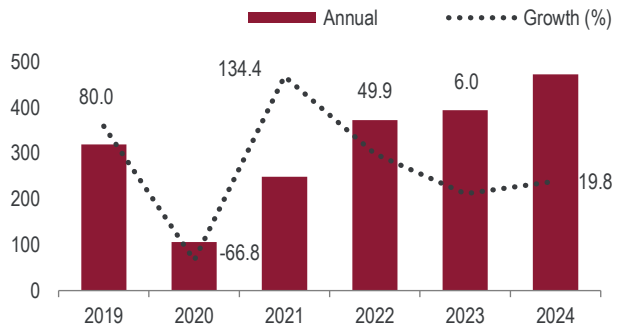
The inflation rate decelerated to 0.4% y/y in Q4 2025 from 2.2% in Q4 2024, mostly on account of lower electricity and fuel prices, in line with lower global energy prices.

Chart 1: Real GDP (%)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

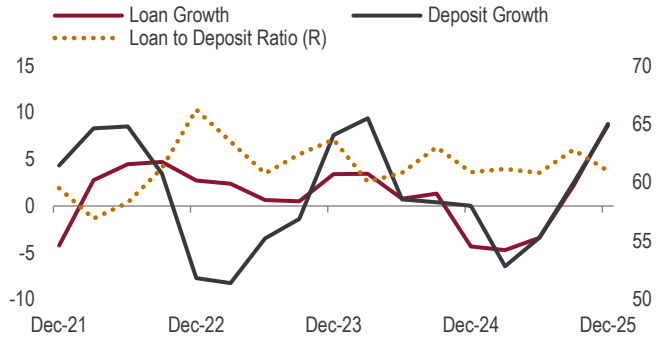
Developments in Financial Markets

Banks' credit balances climbed 8.8% in 2025, following a 4.3% contraction one year earlier. Lending to private business firms rose 7.2% while personal loans expanded 10.3% reflecting higher balances of mortgages (up 9.3% y/y) and consumer loans (up 12.5% y/y). Meanwhile, deposit balances increased 8.6% y/y at December 2025, following a flat performance one year earlier. Holdings of individuals rose 10.3%, but corporate balances slipped 0.5% The loan-to-deposit ratio remained around 61% at December 2025, relative to one year earlier.

Overall, for the Monetary Union, the current account balance of commercial banks at the CBCS slipped US$18.2mln (5.9% y/y) to US$292.3mln at December 2025. The CBCS maintained the reserve requirement at 18.50% but lowered the pledging rate by 25bps to 4.25% in December, following a similar cut in September, and broadly in line with the monetary easing of the Federal Reserve.

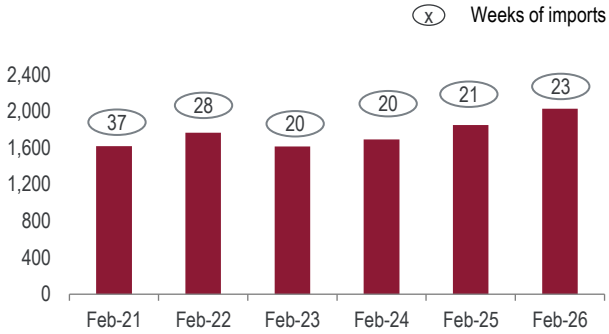
The pledging rate cuts also came against the backdrop of healthy FX reserves. Gross official FX reserves of the Monetary Union (excluding gold) rose US$178.5mln y/y to US$2.03bln (approximately 23 weeks of imports of goods and services) at February 2026.

Chart 3: Financial Indicators (%)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 4: Gross International Reserves (excluding gold) (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean

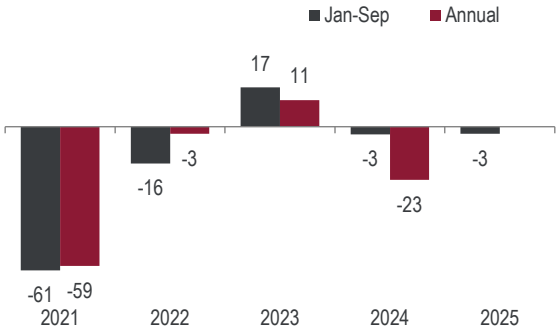
Fiscal Operations and Debt

Government's overall budget surplus remained broadly stable at US$3.0mln during January to September 2025 relative to one year earlier, as increased spending, primarily capital outlays, offset an upswing in revenue collections.

- Revenue collections increased US$29.7mln (13.1% y/y) bolstered by a US$23.4mln (11.7% y/y) upturn in tax receipts. Taxes on income and profits rose US$16.5mln (18.8% y/y), while taxes on goods and services and property increased US$5.1mln (6.3% y/y) and US$1.8mln (20.1% y/y), respectively. Concessions and fees rose US$5.8mln (25.0% y/y), but receipts from licenses slipped US$1.0mln (15.6% y/y). Other revenue increased US$1.6mln.
- Government's current spending increased US$6.5mln (3.0% y/y). Outlays for wages and salaries rose US$2.1mln (2.3% y/y), while payments for goods and services, social security, interest rose US$1.4mln, US$2.1mln, and US$0.9mln, respectively. Subsidies and other spending both nudged upward US$0.1mln. Meanwhile, capital outlays surged US$23.1mln (161.3% y/y) during the nine-month period.

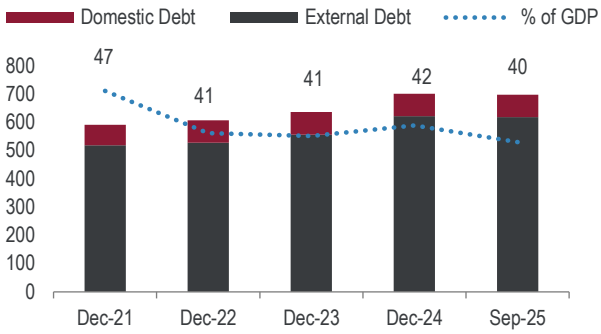
Government debt declined US$3.6mln since December 2024 to US$698.5mln (39.9% of GDP) at September 2025. Domestic debt fell marginally (US$0.3mln) to US$79.8mln, while foreign debt fell US$3.3mln to US$618.7mln.

Chart 5: Overall Budget Balance (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Chart 6: Government Debt (US$ mln)



Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

Outlook

On the heels of an estimated 3.4% expansion in 2025, the CBCS projects that Sint Maarten's real GDP will advance by 2.7% in 2026. The commencement of several large private investment projects, alongside increased public capital investment is expected to support growth. The Bank expects that average inflation will quicken from 1.6% in 2025 to 1.9% in 2026 due to higher global oil prices amid escalating tensions in Middle East. Government's overall budget deficit is projected to weaken from 0.8% of GDP in 2025 to 1.3% of GDP in 2026 on account of higher spending, largely associated with Government's multi-year investment agenda. Additional borrowing for capital projects is expected to increase total public debt, but the public debt-to-GDP ratio is projected to decline from 43.0% in 2025 to 42.7% in 2026. However, domestic inflation could climb even higher if the oil price shock linked to the US-Israel-Iran war deepens and/or persists, with adverse implications for economic growth.

Table 1: Key Indicators and Projections

(%)	2020	2021	2022	2023	2024	2025	2026
Real GDP Growth	-20.4	7.1	13.9	3.8	3.0	3.4	2.7
Inflation	0.7	2.8	3.8	2.1	3.6	1.6	1.9
Unemployment Rate	14.9	15.0	10.4	9.1	7.9	7.5	7.3
Budget Balance/GDP	-9.4	-4.7	-0.2	0.7	-1.3	-0.8	-1.3
Public Debt/GDP	46.8	46.7	41.1	40.7	42.1	43.0	42.7
Nominal GDP (US$ bln)	1.2	1.3	1.5	1.6	1.7	1.8	1.8

Source: Centrale Bank van Curaçao en Sint Maarten and CIBC Caribbean.

St. Vincent and the Grenadines

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Dec 2025 (y-t-d)	Cruise Arrivals Dec 2025 (y-t-d)	Inflation Feb 2026 (y/y)	Debt/GDP Dec 2025
3.4%	17.4%	2.6%	1.0%	103.0%

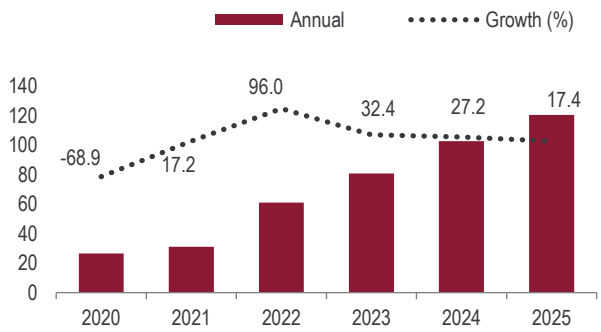
Production, Prices, and Employment

The Eastern Caribbean Central Bank (ECCB) estimates that real GDP expanded 3.4% in 2025, following 2.4% growth in 2024. A robust tourism performance coupled with rebuilding efforts in the Southern Grenadines likely buoyed the expansion.

Stayover arrivals advanced 17.4% in 2025 dominated by visitors from the US, which climbed 38.4%. Arrivals from Canada and the Caribbean rose 4.6% and 6.8%, respectively, but arrivals from the UK slipped 0.3%. Despite a 0.4% dip in ship calls, cruise passenger arrivals increased 2.6% during the year, but yacht visitors declined 3.6%.

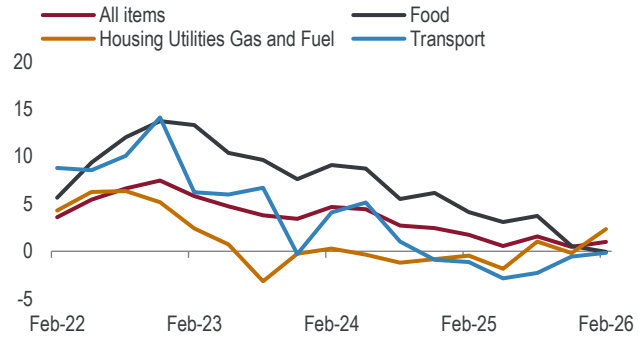
Inflation remained modest at 1.0% y/y in February 2026, after consumer prices increased 1.7% y/y one year earlier. The prices of food and transport both dipped 0.1% y/y, but the price of 'housing utilities gas and fuel' increased 2.3% y/y.

Chart 1: Stay-over Arrivals (000's)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 2: Inflation (y/y; %)



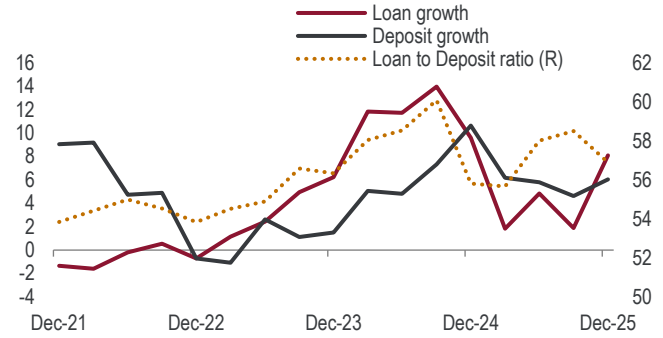
Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit growth remained strong. Loans outstanding climbed 8.1% in 2025 following 9.6% growth one year earlier. Personal loans advanced 10.4% driven by a 28.1% increase in consumer loans, while household mortgages rose 1.9%. Corporate balances increased 6.4% driven by a 14.9% expansion in credit to the public sector and a 2.6% increase in loans to private business firms. Banks' deposit balances rose 6.1% y/y at December 2025, decelerating from 10.6% growth 12 months earlier, as holdings of individuals increased 7.7% and corporate balances expanded 5.4%. The loan-to-deposit ratio rose 1.1 percentage points y/y to 56.9% at December 2025.

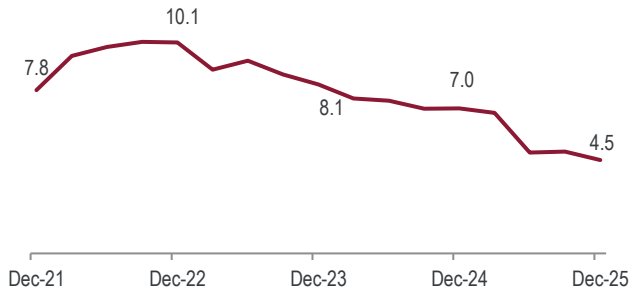
Banks' (local currency) weighted average lending rate declined 3bps y/y to 7.02% at December 2025, while the corresponding deposit rate remained unchanged y/y at 1.24%. Asset quality continued to improve during the year, while profitability nudged upward. The non-performing loan ratio fell from 7.0% December 2024 to 4.5% at December 2025 and the annualised return on average assets rose 0.1 percentage points y/y at 1.5% in Q4 2025. The regulatory capital to risk-weighted assets ratio increased 2.8 percentage points y/y to 21.9% at December 2025.

Chart 3: Financial Indicators (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Fiscal Operations and Debt

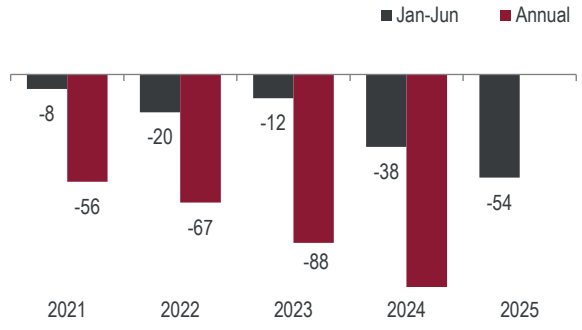
Data on fiscal operations after Q2 2025 remained unavailable up to publication time.

Government's fiscal deficit deteriorated by US$16.2mln to US$54.1mln during January to June 2025. Greater current and capital spending overshadowed an expansion in revenue collections.

- Total revenue and grants increased US$31.0mln (22.6% y/y), the result of a US$23.5mln expansion in current revenue, a US$9.1mln upswing in grant revenue and a US$1.6mln dip in capital revenue. Taxes on goods and services climbed US$9.8mln (15.6% y/y), while taxes on income and profits rose US$6.2mln (21.6% y/y), US$3.5mln of which related to higher corporate tax receipts. Taxes on international trade and transactions increased US$5.6mln (22.0% y/y), but property taxes fell US$2.6 (36.8% y/y).
- Current expenditure advanced US$19.9mln (14.4% y/y). Payments for good and services climbed US$5.9mln (32.5% y/y), while outlays for transfers and subsidies, interest, and personal emoluments rose US$5.1mln, US$4.7mln and US$4.6mln, respectively. Meanwhile, Government increased its capital spending by US$27.3mln to US$64.1mln during the six-month period.

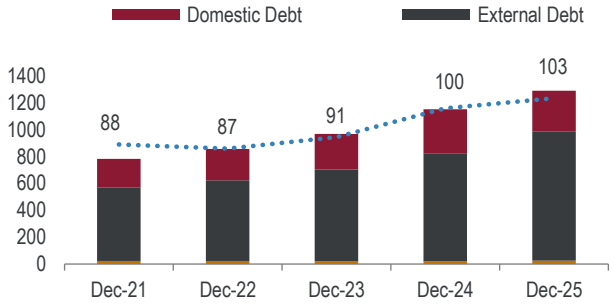
Central Government debt increased US$133.9mln during the year to US$1.27bln at December 2025, while debt of public corporations rose US$4.7mln to US$24.4mln. Total public debt climbed to US$1.29bln (103.0% of GDP) at December 2025.

Chart 5: Fiscal Balance (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Chart 6: Public Debt (US$ mln)



Source: Eastern Caribbean Central Bank and CIBC Caribbean.

Outlook

Economic activity in St. Vincent and the Grenadines is expected to continue to expand. The IMF projects that real GDP growth will moderate slightly to 3.0% in 2026. Major public investment projects, including the Arnos Vale Acute Care Hospital, alongside private projects in the tourism sector, will likely continue to bolster construction output, while increased room capacity will likely support increased airlift and tourism output. Disaster-related spending coupled with the major public investment program has led to large fiscal deficits and a growing public debt burden. The IMF projects that on its current trajectory, public debt will continue to increase over the medium-term, implying a need for major fiscal consolidation. Further, the ongoing uncertainty in the global economic environment linked to the conflict in the Middle East could have adverse consequences for domestic inflation and economic growth, which could also lead to an exacerbation of fiscal pressures.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	2.1	5.0	4.5	4.5	3.4	3.0	2.7
Inflation[1]	1.6	5.7	4.6	3.6	0.9	0.9	2.0
Primary Balance/GDP	-4.9	-7.2	-10.8	-13.1	-9.2	-8.4	-7.4
Fiscal Balance/GDP	-7.2	-9.4	-12.5	-16.0	-12.3	-12.1	-11.1
Government Debt/GDP	88.3	88.6	91.3	102.8	113.4	120.1	126.1
External Current Account/GDP	-23.2	-20.5	-18.2	-17.1	-20.2	-19.8	-17.1
Nominal GDP (US$ bln)	0.9	1.0	1.0	1.1	1.2	1.2	1.3

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period.

Trinidad and Tobago

Summary of Key Performance Updates

Real GDP Q3 2025	Unemployment Q4 2025	Inflation Feb 2026 (y/y)	FX Reserves Mar 2026	Debt/GDP Dec 2025
0.1%	4.3%	0.6%	27 weeks	84.7%

Production, Prices, and Employment

Latest estimates from the Central Statistical Office (CSO) indicate that real GDP nudged upward 0.1% y/y in Q3 2025, contributing to a 0.2% uptick over the first nine months of the year. Energy output advanced 2.2% y/y boosted by the start-up of operations at two new gas fields in Q2, coupled with recovery from maintenance-related slowdowns one year earlier. However, non-energy output fell 0.6% y/y, reflecting reduced activity in wholesale and retail trade and construction that overshadowed inclines in the manufacturing (primarily food and beverage and petroleum products) and mining and quarrying sectors.

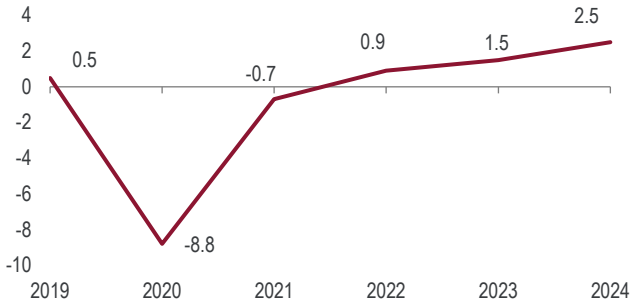
Since then, preliminary indicators suggest a continuation of the trends observed during the nine-month period. Energy output likely remained positive, as crude oil production increased 5.1% y/y during January to November 2025, while output of natural gas and liquefied natural gas rose 1.0% y/y and 5.4% y/y, respectively. Ammonia and urea production rose 7.7% y/y and 28.0% y/y, respectively, but methanol output declined 16.3% y/y. In the non-energy segment, cement production rose 6.0% during the year, but local sales of cement fell 10.3% and the number of new motor vehicle sales declined 4.9% implying a continued weak performance of the construction and distribution sectors.

The unemployment rate improved to 4.3% in Q4 2025 from 5.6% one year earlier. The number of unemployed persons declined by 7,300 (22.1% y/y), but the labour force shrank by 9,700 persons (1.6% y/y), lowering the labour force participation rate by 0.8 percentage points y/y to 55.1%. The number of persons with jobs also fell, 2,400 (0.4% y/y). The unemployment rate for males stood at 3.9%, while the rate for females stood at 4.8%.

Domestic inflation softened to 0.6% y/y in February 2026 from 0.7% y/y in February 2025. The price of food rose 0.8% y/y, while core prices fell 1.0% y/y. Among the larger core price categories, the price of 'housing, water, electricity, gas, and other fuels' rose 0.8% y/y, but the price of transport declined 1.6% y/y.

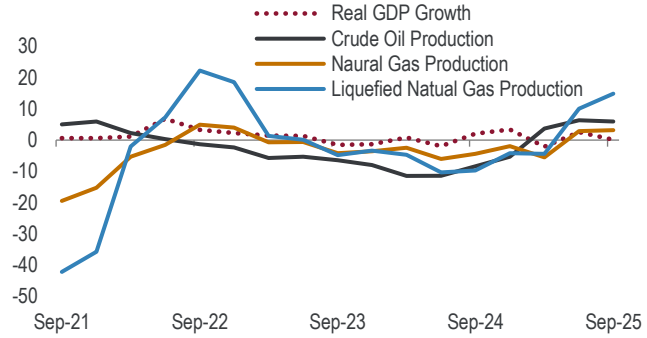
The price of West Texas Intermediate (WTI) crude oil declined 9.4% y/y at February 2026, while the price of Henry Hub natural gas fell 14.3% y/y over the same period.

Chart 1: Real GDP (%)



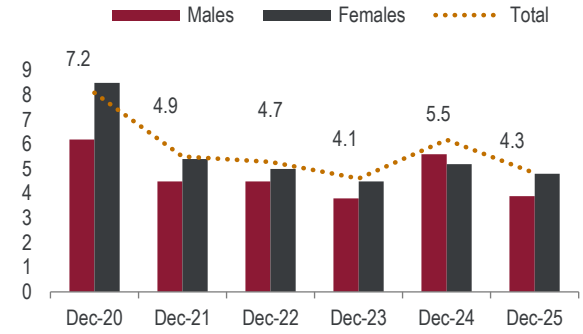
Source: Central Statistical Office, IMF, and CIBC Caribbean.

Chart 2: Key Economic Indicators (y/y; %)



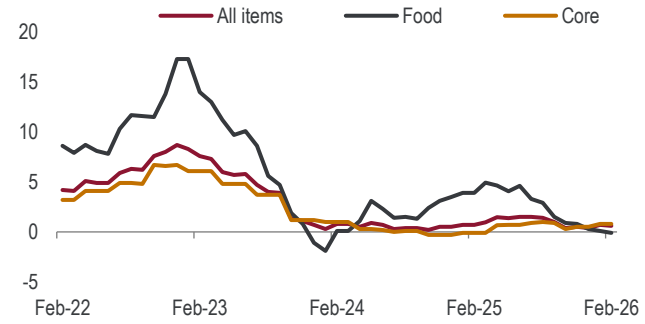
Source: Central Bank of Trinidad and Tobago, Central Statistical Office, and CIBC Caribbean.

Chart 3: Unemployment Rate (%)



Source: Central Statistical Office and CIBC Caribbean.

Chart 4: Inflation (y/y; %)



Source: Central Bank of Trinidad and Tobago and CIBC Caribbean.

Developments in Financial Markets

Commercial banks' credit growth moderated to 5.6% in 2025, following a 7.6% expansion one year earlier. Loans to private business entities rose 7.3%, but balances to the public sector dipped 3.0% curbing the increase in corporate loans to 5.1%. Personal loans advanced 8.8% reflecting an upswing in both mortgages (up 6.3%) and consumer loans (5.9%). Banks' deposit balances nudged upward 0.4%, as local currency-denominated deposits slipped 0.4% but foreign currency-denominated balances increased 3.1%. The overall loan-to-deposit ratio increased 3.9 percentage points y/y to 78.5% at December 2025.

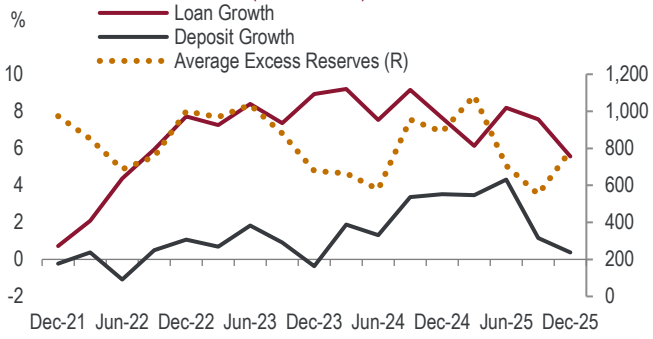
Banks' TTD weighted average lending rate rose 14bps y/y to 6.79% at December 2025, but the weighted average deposit rate increased 11bps y/y to 0.86%. However, banks' profitability improved modestly as the return on average assets rose from 2.7% in 2024 to 2.8% in 2025. Credit quality weakened slightly, with the non-performing loan ratio increasing to 3.0% at December 2025, from 2.9% one year earlier, while the regulatory capital to risk-weighted assets ratio increased 0.5 percentage points y/y to 17.2% at December 2025.

Excess liquidity in commercial banks shrank over the 12 months to March 2026. Average excess reserves declined US$254.6mln y/y to US$830mln. Net domestic fiscal injections introduced US$949.3mln into the system, but open market operations removed US$288.4mln, while central bank FX sales to authorised dealers indirectly removed US$1.29bln.

The Central Bank of Trinidad and Tobago (CBTT) maintained the repo rate at 3.5% in March 2026, where it stood since March 2020, in consideration of the increased uncertainty in the global economic environment, weaker non-energy output, slower credit growth, and modest inflation.

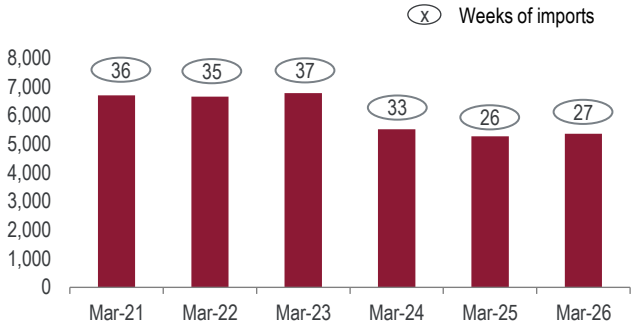
Local FX market conditions remained tight year-to-date with CBTT's sales to authorised dealers supporting the net sales gap between authorised dealers and the public. However, FX reserves increased US$85.6mln (1.6% y/y) to US$5.36bln at March 2026 representing 6.2 months (27 weeks) of import cover, reflecting a stabilization of energy export earnings and a temporary boost linked to inflows from a US$1bln sovereign bond issue on the US capital market in January 2026. The proceeds from the bond, which was 2.5 times oversubscribed and carries a 6.5% coupon bond, were intended to refinance a US$1bln bond due August 2026 and support general budgetary needs.

Chart 5: Financial Indicators (%; US$ mln)



Source: Central Bank of Trinidad and Tobago and CIBC Caribbean.

Chart 6: Net Official FX Reserves (US$ mln)



Source: Central Bank of Trinidad and Tobago and CIBC Caribbean.

Fiscal Operations and Debt

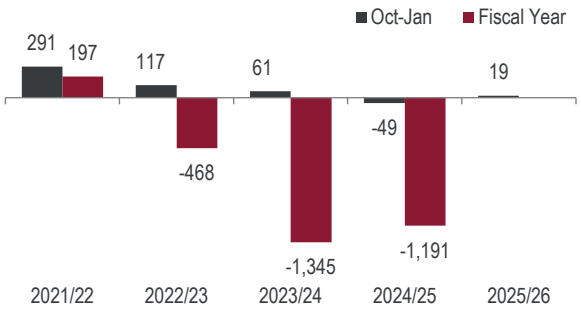
Government fiscal deficit improved slightly from US$1.34bln to US$1.19bln during FY2024/25 ended September 2025, as increased energy revenue eclipsed a fall-off in non-energy receipts, and outpaced increased spending. Government withdrew US$411mln from Heritage and Stabilization Fund (HSF) in FY2024/25, to support its budgetary operations.

Since then, Government reported a US$18.6mln fiscal surplus during the first four months of FY2025/26 ended January 2026, relative to a US$48.5mln deficit one year earlier, as reduced spending overshadowed a dip in revenue collections.

- Total revenue fell US$71.4mln (2.7% y/y). Current revenue declined US$80.0mln (3.0% y/y), as non-energy receipts rose US$128.4mln, but energy receipts fell US$208.4mln. Tax revenue contracted US$230.1mln (5.1% y/y) driven by a US$217.9mln fall-off in taxes on income and profits, while collections on property dipped US$4.7mln. Conversely, taxes on goods and services rose US$68.3mln (13.6% y/y), US$38.3mln of which related to VAT, while taxes on international trade registered a US$2.8mln uptick. Non-tax revenue climbed US$71.5mln (16.3% y/y), largely due to higher receipts from the non-energy sector (up US$72.8mln), while capital revenue rose US$8.6mln to US$9.3mln.
- Expenditure declined US$138.6mln (5.2% y/y), primarily on account of a US$121.0mln (69.9% y/y) fall-off in capital outlays. Current expenditure dipped US$17.5mln (0.7% y/y), as spending on wages and salaries rose US$30.6mln (6.5% y/y), but payments transfers and subsidies, goods and services and interest fell US$21.3mln (1.4% y/y), US$13.6mln (5.7% y/y) and US$13.3mln (4.3% y/y), respectively.

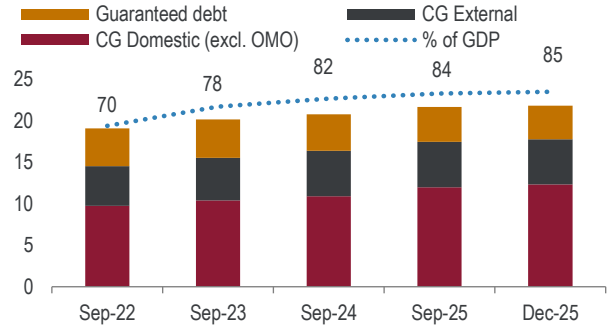
Government withdrew US$250mln from the HSF during the four-month period, while latest official data indicate that the net asset value of the HSF stood at US$6.35bln at September 2025 (~25% of GDP), and the IMF estimates the fund at US$6.38bln at February 2026. Central government domestic debt (excluding debt held for open market operations) rose US$343.1mln since September 2025 to US$12.36bln at December 2025, while external portion fell US$19.5mln to US$5.46bln. Public debt (including non-self serviced guaranteed debt) stood at US$21.85bln (84.7% of GDP).

Chart 7: Fiscal Balance (US$ mln)



Source: Central Bank of Trinidad and Tobago and CIBC Caribbean.

Chart 8: Adjusted General Government Debt (US$ bln)



Source: Central Bank of Trinidad and Tobago and CIBC Caribbean.

Outlook

Economic activity will likely continue to advance slowly in 2026. The IMF's latest estimates suggest 0.8% expansion, following an estimated 0.8% growth for 2025. Stronger non-energy growth is anticipated to offset a dip in energy output due to the absence of additional projects coming online in 2026. However, medium term prospects are more favourable, linked to new projects expected to become operational in 2027. Also, in February 2026, the US issued new licenses to allow Trinidad and Tobago to pursue oil and gas activities in Venezuela, following the revocation of previous licenses in April 2025. Government's 2026 Budget targets a 2.2% of GDP fiscal deficit, but the IMF suggests stronger fiscal consolidation will be required to achieve this target. Risks to the outlook remain elevated as operational disruptions or delays to new projects could further hinder energy output, while the ongoing US-Israel-Iran war suggests upward pressure on inflation via increased shipping costs, but could result in a temporary fiscal windfall due to the surge in energy prices.

Table 1: Key Indicators and Projections (IMF Estimates)

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	-0.7	0.9	1.5	2.5	0.8	0.8	3.0
Inflation[1]	2.1	5.8	4.6	0.5	1.0	1.8	2.8
Primary Balance/GDP[2]	-5.3	3.6	2.1	-2.2	-1.9	-0.8	1.3
Fiscal Balance/GDP[2]	-8.4	1.0	-1.2	-5.9	-5.5	-4.6	-2.5
Central Government Debt/GDP[2]	80.2	69.9	78.2	81.8	84.2	84.1	82.8
External Current Account/GDP	10.9	10.2	11.5	2.5	3.1	3.8	4.8
Nominal GDP (US$ bln)	24.2	28.3	25.0	25.6	25.9	26.8	28.1

Source: IMF World Economic Outlook Database, April 2026.
[1] Average for the period; [2] Fiscal year basis (October of previous year to September of stated year).

Turks and Caicos Islands

Summary of Key Performance Updates

Real GDP 2025	Stay-over Arrivals Feb 2026 (y-t-d)	Cruise Arrivals Feb 2026 (y-t-d)	Inflation 2025	Debt/GDP June 2025
4.5%	5.6%	-19.6%	2.5%	0%

Production, Prices, and Employment

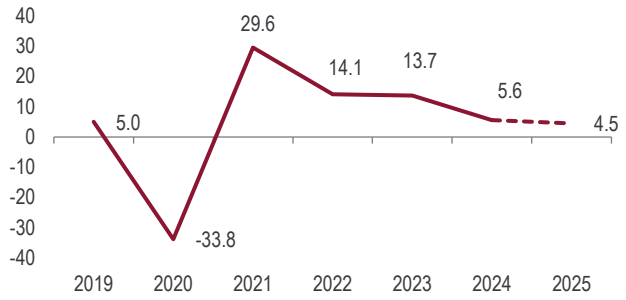
The Turks and Caicos Islands Statistics Authority estimates that real GDP advanced 4.5% in 2025, following a 5.6% expansion in 2024, driven by greater activity in hotels and restaurants, construction and real estate.

Stay-over tourism softened in 2025, with visitor arrivals in that segment dipping 0.2% in 2025, but cruise passenger arrivals rose 5.5%.

Since then, stay-over arrivals increased 5.6% y/y during January to February 2026, but cruise passenger arrivals declined 19.6% y/y, during the two-month period.

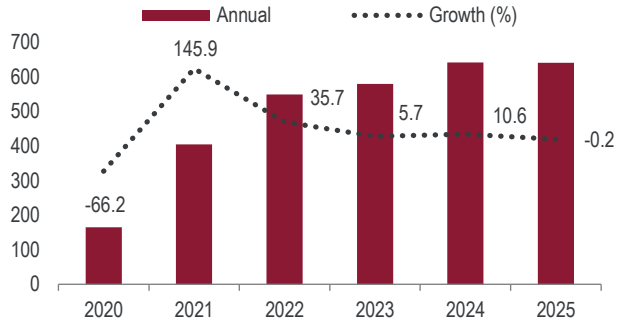
Latest estimates from the Turks and Caicos Islands Statistics Authority indicate that inflation slowed from 3.0% in 2024 to 2.5% in 2025, while the unemployment rate likely continued to improve in line with growing economic activity, relative to 5.5% in 2024.

Chart 1: Real GDP (%)



Source: Turks and Caicos Islands Statistical Department, Standard and Poor's, and CIBC Caribbean.

Chart 2: Stay-over Arrivals (000's)



Source: Turks and Caicos Islands Statistical Department, Turks and Caicos Islands Tourism Board and CIBC Caribbean.

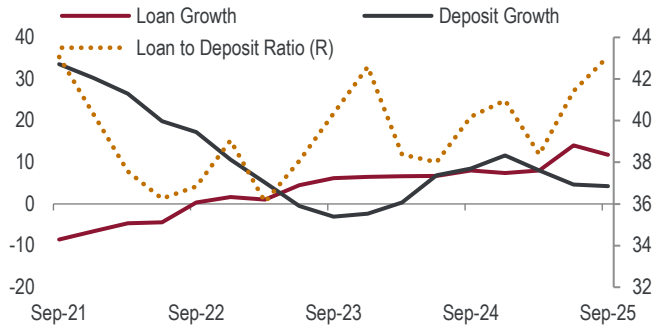
Developments in Financial Markets

Domestic banks' credit growth strengthened to 11.8% over the 12 months to September 2025, following an 8.0% expansion one year prior. Personal loans climbed 11.0% reflecting higher balances of mortgages (up 14.2%) and consumer loans (up 6.8%). Credit to the private corporate sector increased 12.9%, primarily due to increased lending to the construction and land development, tourism, and distribution sectors.

Deposit balances rose more modestly, 4.3% y/y at September 2025, following an 8.5% increase one year earlier. Personal deposits rose 8.9%, while holdings of corporates increased 4.4%, but deposits of non-residents fell 8.2%. Consequently, the loan-to-deposit ratio rose 2.9 percentage points y/y to 43.1% at September 2025.

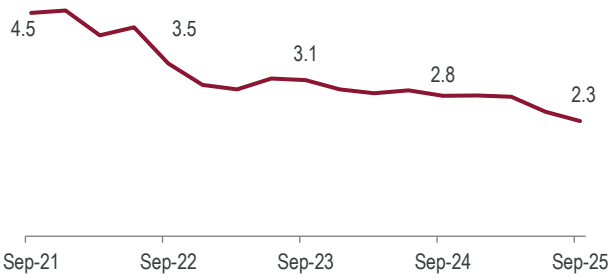
The robust loan growth coupled with an 8.3% decline in the level of non-performing loans lowered the attendant ratio from 2.8% at September 2024 to 2.3% at September 2025. Banks' risk weighted capital adequacy ratio slipped marginally y/y to 35.4% at the end of the same period but remained well above the acceptable level.

Chart 3: Financial Indicators (%)



Source: Turks and Caicos Islands Financial Services Commission and CIBC Caribbean.

Chart 4: Non-performing Loan Ratio (%)



Source: Turks and Caicos Islands Financial Services Commission and CIBC Caribbean.

Fiscal Operations and Debt

Data on fiscal operations after June 2025 remained unavailable up to publication time.

Government's net operating surplus improved US$15.8mln to US$70.4mln during the first three months of FY2025/26 ended June 2025.

- Recurring revenue advanced US$5.4mln (20.5% y/y) reflecting higher receipts across all major revenue categories except stamp duty on land transactions (down US$1.2mln) and excess revenue from statutory bodies (down US$3.3mln). Notably, import duties rose US$5.4mln, receipts of the hotel and restaurant tax and customs processing fees increased US$2.9mln and US$1.8mln, respectively. Non-recurrent revenue rose US$0.6mln to US$0.9mln during the quarter.
- Public spending expanded US$15.8mln (28.8% y/y). Current expenditure declined US$3.1mln (3.6% y/y) curbed by lower transfers to the National Health Insurance Board (NHIB) (down US$3.0mln), hospital provisional charges (down US$2.2mln) and subventions (down US$2.7mln). However, personnel costs increased US$1.5mln (3.9%), while grants and contributions rose US$1.7mln. Non-recurrent spending fell US$2.1mln to US$0.4mln.

Public debt, comprising two instruments with the Caribbean Development Bank (CDB), fell from US$0.6mln at March 2025 to US$0.4mln at June 2025, while Government's cash balances increased US$72.1mln to US$430.7mln during the quarter.

Outlook

Economic activity in the Turks and Caicos Islands is projected to continue to advance in 2026. Anticipated developments, including the introduction of new direct flights, are expected to support the expansion. FDI-financed tourism projects alongside public infrastructural investment, including extensive roadworks, are also anticipated to boost construction activity and support growth. Increased economic activity will likely increase employment opportunities, but the inflation rate is projected to rise due to the recent hike of global energy prices. The economic outlook remains vulnerable to increased volatility in global energy markets linked to the escalation of tensions in the Middle East, with potential implications for economic growth.

Table 1: Key Indicators and Projections

(%)	2021	2022	2023	2024	2025	2026	2027
Real GDP Growth	29.6	14.1	13.7	5.6	4.5	3.9	4.0
Inflation	4.5	6.0	5.5	3.0	2.5	2.7	2.5
Unemployment Rate	9.0	8.0	7.0	5.5	4.0	4.0	4.0
Budget Balance/GDP	8.0	2.6	9.9	2.9	3.1	3.5	3.4
Public Debt/GDP	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Nominal GDP (US$ bln)	1.2	1.4	1.6	1.7	1.8	2.0	2.1

Source: Turks and Caicos Islands Statistical Department, Standard and Poor's, and CIBC Caribbean.

About CIBC

CIBC is a leading and well-diversified North American financial institution committed to creating enduring value for all our stakeholders – our clients, team, communities, and shareholders. We are guided by our purpose – to help make your ambition a reality, and we are activating our resources to create positive change and contribute to a more secure, equitable and sustainable future.

Across our bank and our businesses – Personal and Business Banking, Commercial Banking and Wealth Management, and Capital Markets –our 50,000 employees bring our purpose to life every day for our 13 million personal banking, business, public sector and institutional clients in Canada, the U.S. and around the world.

Canadian Personal and Business Banking

Canadian Personal and Business Banking provides clients across Canada with financial advice, products and services through a team in our banking centres, as well as through our direct, mobile and remote channels.

Our goal is to build a modern consumer and business relationship bank to help our clients achieve their ambitions by focusing on three key strategic priorities:

- Winning at relationships
- Delivering market-leading solutions
- Being easy to bank with

Canadian Commercial Banking and Wealth Management

Canadian Commercial Banking and Wealth Management provides high-touch, relationship-oriented banking and wealth management services to middle-market companies, entrepreneurs, high-net-worth individuals, and families across Canada. We also provide asset management services to institutional investors.

We are focused on building and enhancing client relationships, being Canada's leader in financial advice and generating long-term, consistent growth. To deliver on this, our three strategic priorities are:

- Scaling commercial banking
- Increasing agility and efficiency in wealth management
- Deepening client relationships across our bank

U.S. Commercial Banking and Wealth Management

U.S. Commercial Banking and Wealth Management provides high-touch, relationship-oriented commercial, personal and business banking, as well as wealth management services to meet the needs of middle-market companies, executives, entrepreneurs, high-net-worth individuals and families in the U.S. markets we serve.

Our goal is to build the best-in-class commercial and wealth management bank for our chosen client segments and markets with a focus on developing deep, profitable relationships leveraging the full complement of CIBC's products and services across our North American platform. To deliver on this, our three key strategic priorities are:

- Growing organically by adding and deepening our client relationships and selectively entering additional markets and specialty businesses
- Continuing to build a strong U.S. operating platform by investing appropriately in our growth
- Maintaining our risk discipline through selective evaluation of new opportunities, portfolio diversification, and quality of funding sources

Capital Markets

Capital Markets provides integrated global markets with products and services, investment banking advisory and execution, corporate banking solutions, and top-ranked research to corporate, Government and institutional clients around the world.

Our goal is to be the leading capital markets franchise for our core clients in Canada and the lead relationship bank for our key clients globally by delivering best-in-class insight, advice, and execution. To enable CIBC's strategy and priorities, we collaborate with our partners across our bank to deepen and enhance client relationships. To deliver on our goal, our three key strategic priorities are:

- Being the leading capital markets platform in Canada for our core clients
- Building a North American client platform with global capabilities
- Increasing connectivity across CIBC to deliver better service for clients

About CIBC Caribbean

CIBC Caribbean Bank is a relationship bank offering a range of market-leading financial services through our Corporate Banking, Wealth Management, and Retail Banking segments.

Headquartered in Warrens, Barbados, we provide banking services to our clients through approximately 2,600 employees, in 80 branches and offices. We are one of the largest, regionally listed financial services institution in the English-speaking Caribbean.

As a member of the CIBC Group of companies, we share with them an organizational culture based on core values of Trust, Teamwork, and Accountability.

CIBC Caribbean operates within a well-regulated environment, under the supervision of the eight banking regulators across our 10 markets, including Antigua and Barbuda, The Bahamas, Barbados, British Virgin Islands, Cayman Islands, Jamaica, St. Kitts and Nevis, St. Lucia, Trinidad and Tobago and Turks and Caicos Islands.

CIBC Caribbean is traded on the stock exchanges of Barbados, Trinidad and Tobago, The Bahamas, and Eastern Caribbean.

A full-service institution, we lead the market in providing innovative solutions for our clients, including:

- State-of-the-art branch banking, which is currently being rolled out across the region, featuring a functional, ergonomic environment with electronic, seated queuing systems for service identification and prioritization; dedicated corporate banking facilities and wealth management services in an upscale, lounge-type setting.
- A range of electronic banking solutions for full service in quick time, including an enhanced internet and mobile banking service.
- Enhanced private banking service for Domestic Wealth Management clients, including Platinum Service priority access in branches, dedicated wealth management centres, financial advice by certified financial planning experts and Platinum cards services for the discerning customer.
- Support for corporate clients with best-in-class relationship management products and services.

CIBC Caribbean is focused on developing strong relationships with its clients and is committed to being a best practice institution, with a focus on listening to and working closely with our clients to help them achieve what matters to them.

Notes

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