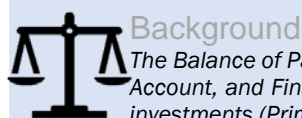


Balance of Payments Update

March 2025



- The current account of the balance of payments for the March 2025 quarter recorded a surplus of US\$223.6 million (1.0 per cent of GDP), a reduction of US\$5.3 million relative to the surplus recorded in the March 2024 quarter. This means that for the review period, foreign currency inflows to the country exceeded outflows from the country. The reduction in the current account balance was reflected primarily in the Services sub-account, Primary Income sub-account and to a lesser extent the Goods sub-account, partly offset by an improvement on the Secondary Income sub-account relative to the March 2024 quarter.
- The deficit on the Goods sub-account widened by US\$4.8 million, which reflected a reduction in exports of US\$7.7 million, partly offset reduction of US\$2.9 million in imports (see Table 1). The reduction in exports was largely driven by a decline of US\$56.2 million in mineral fuels, partly offset by an increase of US\$70.9 million in exports of crude materials. The reduction in imports mainly reflected reductions in mineral fuels, miscellaneous manufactured goods and machinery & transportation equipment.
- The Services sub-account deteriorated by US\$22.3 million relative to the March 2024 quarter. This was primarily driven by higher payments for transportation services, partly offset by higher travel inflows. The travel services sub-account improved by US\$42.07 million, driven by tourists staying longer in Jamaica on average.
- The deterioration in the Primary Income sub-account relative to the March 2024 quarter was driven by higher investment income outflows, partly offset by increased interest receipts as well as lower compensation of employees. Higher investment income outflows resulted from the repatriation of profits recorded in the mining sector when compared to the loss registered in the previous corresponding period. The increased interest income receipts were primarily due to higher interest earnings on Bank of Jamaica's reserve assets.
- The improvement in the surplus in the Secondary Income sub-account largely reflected an increase of US\$24.3 million in personal transfer inflows (primarily remittance inflows) compared with the corresponding period in 2024.
- The Financial Account reflected net outflows of US\$95.39 million for the March 2025 quarter, in comparison to net outflows of US\$227.8 million in the March 2024 quarter. The net outflows for the review quarter mean that overall, Jamaica provided more financing to the rest of the world than it received. This was primarily reflected in a build-up of US\$193.3 million in Reserve Assets held by Bank of Jamaica and net outflows via Other Investments (US\$98.0 million). Net Other Investments outflows were primarily related to a build-up in short-term currency and deposit assets abroad by local DTIs and non-financial corporations, partly offset by a build-up in long term loan liabilities by local non-financial corporations. The effects of the net outflows were tempered by net inflows via Direct Investment (US\$101.6 million) and Portfolio investment (US\$95.1 million) primarily related to a reduction in short-term securities assets by other DTIs and a significant build-up in equity and investment fund shares.
- For the Fiscal Year to Date (FYTD) 2024/25, the current account balance recorded a surplus of US\$673.5 million (3.0% of GDP), up from US\$609.9 million (2.8% of GDP) in the previous fiscal year. This increase was primarily driven by improvements in the goods sub-account and the secondary income account, reflecting reduced imports partly offset by lower exports, and higher personal transfers, respectively. However, these improvements were partially offset by deteriorations registered on the services and primary income sub-accounts. The Financial Account for FY 2024/25 reflected a net lending position, recording net outflows of US\$996.2 million, when compared to the net outflow of US\$991.5 million in FYTD 2023/24.



Background

The Balance of Payments (BOP) is compiled using the 6th edition of the BOP Manual. It comprises the Current Account, Capital Account, and Financial Account. The Current Account includes net trade in goods and services, net earnings on cross border investments (Primary Income) as well as net transfer payments (Secondary Income). The Financial Account records changes in Jamaica's external assets and liabilities. These assets and liabilities include foreign Direct Investments, Portfolio Investments such as stocks and bonds, Financial Derivatives, Other Investments, and Reserve Assets. Net changes in assets or liabilities arise when gross increases in assets or liabilities differ from gross reductions in assets or liabilities and vice versa.

Table 1: Jamaica's Balance of Payments (US\$MN)

 Expanded Dataset

	JAN-MAR		
	2024	2025	Change
CURRENT ACCOUNT BALANCE	228.9	223.6	-5.3
CAB/GDP (%)*	1.1	1.0	-0.1
GOODS	-1092.6	-1097.5	-4.8
<i>EXPORTS</i>	492.9	485.2	-7.7
<i>IMPORTS</i>	1585.5	1582.6	-2.9
SERVICES	628.5	606.3	-22.3
<i>CREDITS</i>	1473.2	1506.1	32.9
<i>DEBITS</i>	844.7	899.9	55.2
PRIMARY INCOME	-123.3	-125.8	-2.6
<i>CREDITS</i>	123.8	135.1	11.3
<i>DEBITS</i>	247.1	260.9	13.8
SECONDARY INCOME	816.3	840.6	24.3
<i>CREDITS</i>	873.5	900.2	26.7
<i>DEBITS</i>	57.2	59.6	2.4
CAPITAL ACCOUNT	-1.2	-9.1	-7.9
<i>CREDITS</i>	11.0	3.1	-7.9
<i>DEBITS</i>	12.2	12.2	0.0
NET LENDING (+)/NET BORROWING (-) (BALANCE FROM CURRENT AND CAPITAL ACCOUNT)	227.7	214.5	-13.3
FINANCIAL ACCOUNT			
NET LENDING (+)/NET BORROWING (-) (BALANCE FROM FINANCIAL ACCOUNT)	227.8	95.4	-132.4
DIRECT INVESTMENT	-108.0	-101.6	6.4
<i>NET ACQUISITION OF FINANCIAL ASSETS</i>	0.2	-0.6	-0.8
<i>NET INCURRENCE OF LIABILITIES</i>	108.2	101.0	-7.2
PORTFOLIO INVESTMENTS	-86.1	-95.1	-9.0
<i>NET ACQUISITION OF FINANCIAL ASSETS</i>	-112.6	-72.0	40.6
<i>NET INCURRENCE OF LIABILITIES</i>	-26.5	23.1	49.6
FINANCIAL DERIVATIVES	0.0	0.0	0.0
<i>NET ACQUISITION OF FINANCIAL ASSETS</i>	0.0	0.0	0.0
<i>NET INCURRENCE OF LIABILITIES</i>	0.0	0.0	0.0
OTHER INVESTMENTS	58.8	98.8	40.0
<i>NET ACQUISITION OF FINANCIAL ASSETS</i>	196.4	196.2	-0.3
<i>NET INCURRENCE OF LIABILITIES</i>	137.6	97.4	-40.3
RESERVES ASSETS	363.1	193.3	-169.8
NET ERRORS AND OMISSIONS	0.1	-119.1	-119.2



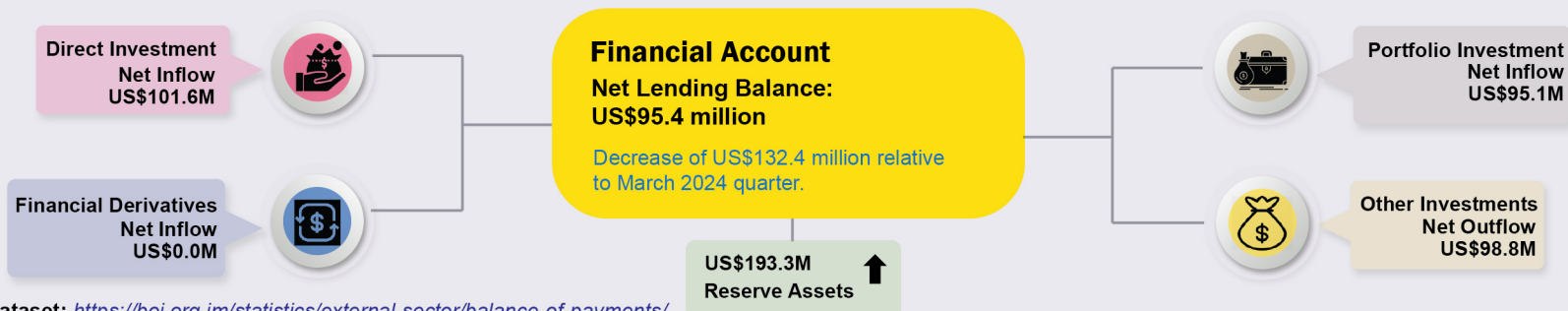
BALANCE OF PAYMENTS

March 2025 Quarter

KEY

↑ Improved by

↓ Deteriorated by



Expanded Dataset: <https://boj.org.jm/statistics/external-sector/balance-of-payments/>