

## Update 3: Jamaica - Economy Contracts by 18% YoY in Q2 2020 Amid COVID-19 Restrictions

- Jamaican economy contracted by 18% in Q2 2020 compared to the same period last year, as per Planning Institute of Jamaica (PIOJ)
- Reason is attributed to strict measures implemented to contain the spread of COVID-19 infections
- Closure of international borders curtailed external demand and halted all tourist activities
- Lower income amid job losses and reduced work hours caused further decline in consumer demand
- PIOJ estimates that the economy will contract within the range of 8-10% during fiscal year 2020-21
- Growth is expected to resume during fiscal year 2021-22
- However, GDP levels are not anticipated to recover until two years after the pandemic
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments

### Source(s)

<http://jamaica-star.com/article/news/20200910/jamaicas-economy-contracted-18-cent-april-june-says-pioj>

<https://jis.gov.jm/pioj-says-economy-contracted-by-18-per-cent-april-to-june/>

<http://www.loopjamaica.com/content/jamaican-economy-contracts-18-cent-june-quarter>

### Targets Affected:

Jamaica

#### Guidance

##### *Actions to consider:*

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Aug. 20, 2020

Medium

Update 2: Jamaica - Imposes Tighter COVID-19 Restrictions Amid Surge in Infections

Aug. 1, 2020

High

Update 1: Jamaica - Extends Curfew Until September 30, 2020 Amid Increase in COVID-19 Cases

July 2, 2020

Medium

Jamaica - Announces Few COVID-19 Relaxations; Nationwide Confirmed Cases Increase to 707

# Impact level Definitions

Impact Level	Definitions
Immediate	<b>Certain</b> - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	<b>Highly likely to occur in the near term (within 3 months)</b> - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	<b>Likely to occur in the mid-term (within 3 to 6 months)</b> - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	<b>Possible in the long-term (after 6 months)</b> - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.