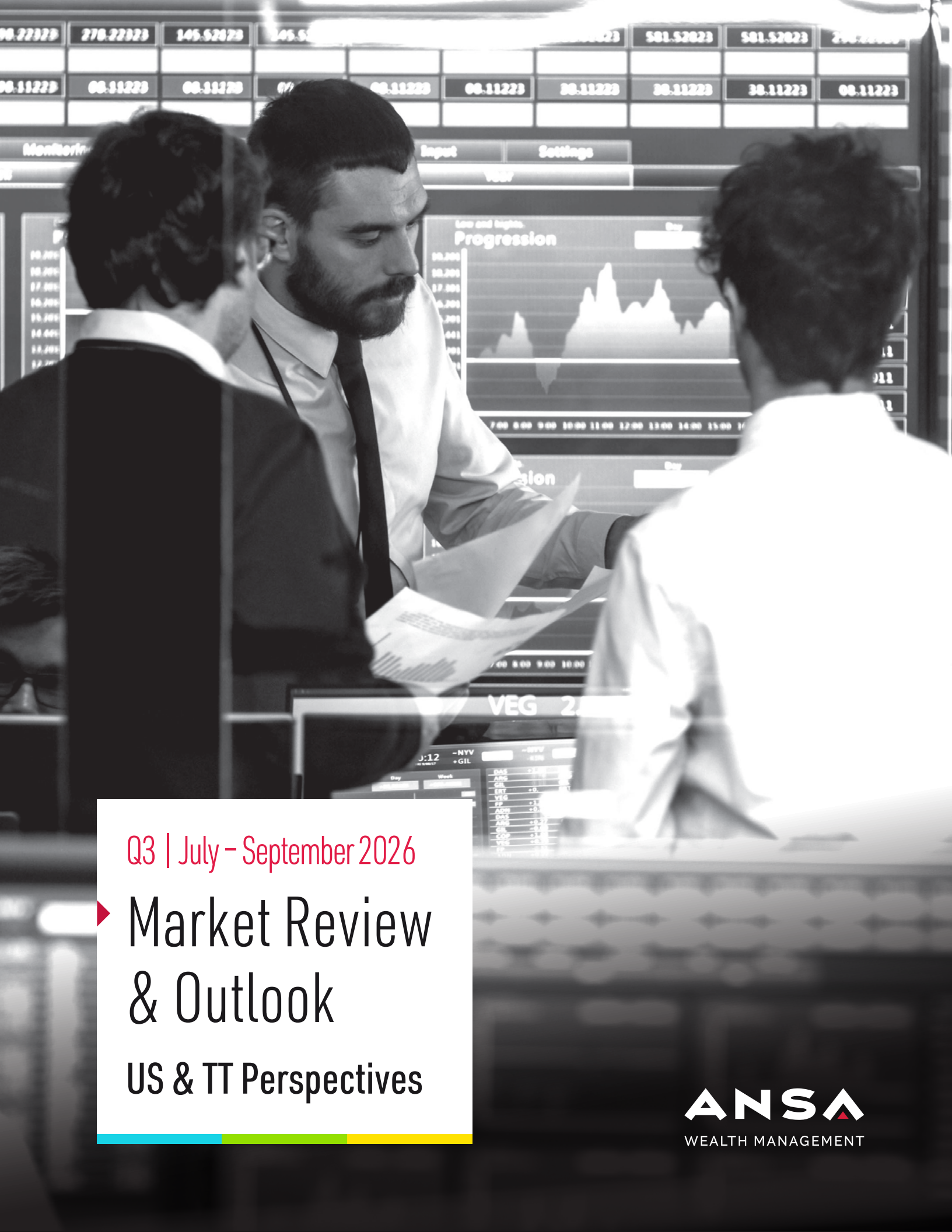


Q3 | July – September 2026

Market Review & Outlook

US & TT Perspectives

ANSA
WEALTH MANAGEMENT

Navigating Economic Dynamism by Anchoring on Quality

The US economy continued to demonstrate considerable resilience during the third quarter of 2026, despite tighter financial conditions, persistent inflationary pressures and heightened geopolitical uncertainty. The latest official estimate showed real GDP expanding at an annualized rate of 2.2% in Q2, following revised growth of 2.5% in Q1. The Q2 figure was revised materially higher from the previous estimate, primarily reflecting stronger investment, consumer spending and government expenditure. The Atlanta Federal Reserve's GDPNow model subsequently estimated Q3 real GDP growth of approximately 3.7% annualized as of September 30, suggesting that economic momentum remained intact through quarter-end.

ECONOMIC INDICATORS

	Q4 2025$_A$	Q1 2026$_A$	Q2 2026$_A$	Q3 2026$_P$	CY 2025$_A$	CY 2026$_F$
Real GDP (YoY%)	2.00	2.70	2.22	1.70	2.10	2.10
CPI (YoY%)	2.70	2.70	3.90	3.40	2.70	3.40
Housing Starts ('000s monthly avg.)	1,323	1,418	1,345	1,326	1,356	1,379
Unemployment (%)	4.50	4.30	4.10	4.20	4.30	4.30
Interest Rate - Fed Res. (%)	3.75	3.75	4.00	4.23	3.75	3.74

(A) Actual (P) Preliminary (F) Forecast

Consumer activity remained an important source of economic strength. Real consumer spending increased 0.6% in August alone, while business investment continued to benefit from substantial expenditure on artificial intelligence, data centres, computing infrastructure and power generation. The persistence of domestic demand reinforced the view that restrictive monetary policy has yet to produce a material deterioration in economic activity. Inflation remained one of the quarter's defining macroeconomic challenges. The Personal Consumption Expenditures Price Index increased 3.4% year-over-year in August, while core PCE inflation, which excludes food and energy, increased 3.0%. On a monthly basis, headline and core PCE increased 0.3% and 0.2%, respectively.

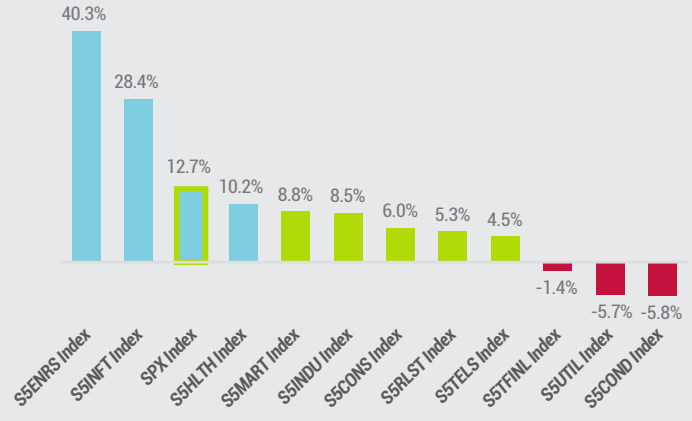
The moderation in core inflation provided some evidence that underlying price pressures may be easing, but inflation remained meaningfully above the Federal Reserve's 2% objective. Energy prices complicated the inflation outlook during the quarter. Brent crude increased approximately 40% during Q3, as the continuing conflict involving Iran and disruption to global energy markets introduced a significant geopolitical premium. Higher energy prices supported the energy sector but simultaneously increased transportation and input costs, placed additional pressure on household purchasing power and reinforced uncertainty surrounding the future path of inflation.

The labour market remained comparatively resilient. Non-farm payroll employment increased by 162,000 in August, while the unemployment rate remained unchanged at 4.1%. Employment conditions have normalized from the exceptionally tight levels experienced earlier in the cycle, but the combination of continued job creation and relatively low unemployment provided little evidence of the type of labour-market deterioration that would ordinarily require aggressive monetary accommodation. Against this backdrop, monetary policy became one of the most consequential market developments of the quarter. Kevin Warsh assumed office as Chairman of the Federal Reserve on May 22, 2026, succeeding Jerome Powell. In September, the Federal Open Market Committee increased the Federal Funds target range by 25 basis points to 3.75%–4.00%, representing the first increase in the policy rate in three years and a significant reversal from the easing expectations that had dominated investor positioning earlier in 2026.

The Federal Reserve's updated economic projections reinforced this shift. Policymakers increased their median forecast for 2026 real GDP growth to 2.3%, from 2.2% in June, while lowering the projected unemployment rate to 4.1% from 4.3%. At the same time, the median forecast for 2026 PCE inflation increased to 3.7%, with core PCE inflation projected at 3.4%. The median projected year-end Federal Funds rate increased to 4.1%, compared with 3.8% in June.

The combination of resilient economic activity, persistent inflation and a more restrictive monetary-policy outlook resulted in a significant repricing across US fixed-income markets. The 10-year Treasury yield ended Q3 at approximately 5.29%, an increase of approximately 87 basis points during the quarter, marking its largest quarterly increase in more than three decades. The 30-year Treasury yield ended the period at approximately 5.64%, while the 2-year yield rose to approximately 4.89%.

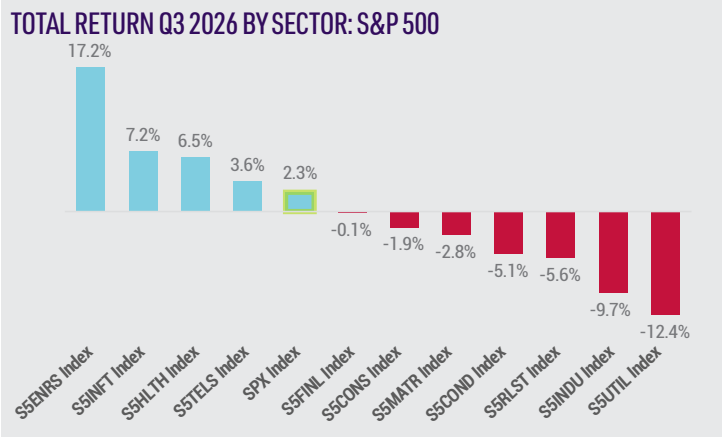
TOTAL RETURN YTD 2026 BY SECTOR: S&P 500



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Fiscal conditions increasingly contributed to the pressure on longer-term yields. The US federal budget deficit totalled approximately US$2.0 trillion during the first eleven months of fiscal 2026, broadly comparable with the same period a year earlier despite an economy operating outside of recession. Large deficits require substantial ongoing Treasury issuance and increase government financing costs at a time when interest rates have already risen materially.

US equity markets nevertheless demonstrated considerable resilience. The S&P 500 gained approximately 2.0% during Q3, closing the quarter at 7,651.54, while the Nasdaq Composite advanced approximately 2.5%. The Dow Jones Industrial Average and smaller-cap equities performed considerably less favourably, reflecting significant divergence beneath the headline indices. Market breadth was particularly noteworthy. The equal-weighted S&P 500 declined approximately 2.3% during the quarter, while the Russell 2000 fell approximately 7.5%. This divergence highlighted the degree to which headline index performance remained dependent on a relatively narrow group of large companies.



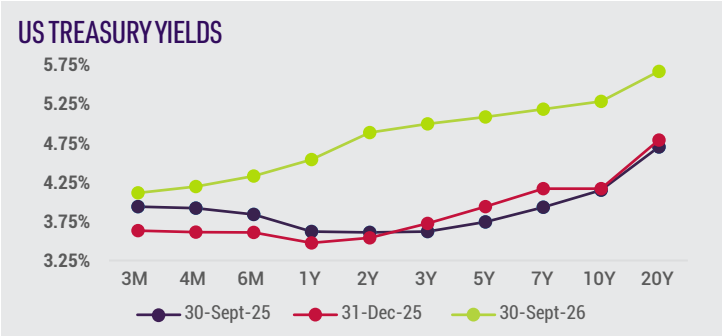
Artificial intelligence remained the dominant structural investment theme. Large technology companies continued to benefit from strong earnings and significant investment in AI, while semiconductor manufacturers, networking providers, data-centre infrastructure companies, power suppliers and other businesses enabling the AI build-out continued to attract capital. The nature of the investment debate, however, began to evolve.

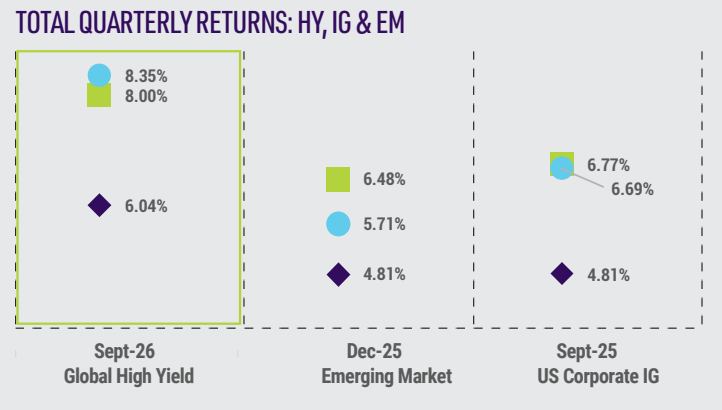
The question is increasingly shifting from how much capital will be invested in AI to what return that capital will ultimately generate. More than simply demonstrating continued demand for computing capacity, companies will increasingly need to show that AI expenditure can translate into sustainable productivity improvements, revenue growth and free cash flow.

The continued strength of AI-related companies also reinforced concentration concerns. The capitalization-weighted S&P 500 materially outperformed its equal-weighted counterpart during the quarter, demonstrating the increasing influence of a relatively small number of companies on headline index performance. This leaves the broader market more sensitive to earnings disappointments or changes in expectations among its largest constituents.

Credit markets were considerably more stable than government bonds. Broad high-yield spreads remained around 280 basis points in late September, despite the substantial increase in risk-free rates. The relatively contained level of credit spreads suggests that investors continued to place considerable confidence in corporate fundamentals and the economic outlook. However, higher financing costs increase the importance of balance-sheet strength and refinancing capacity, particularly among lower-quality borrowers.

Overall, Q3 produced an unusual combination: economic growth remained firm, equities advanced, inflation remained elevated and long-term interest rates increased sharply. The resilience of corporate earnings and continued AI-related investment supported equity markets, but the repricing of fixed income materially increased the hurdle for future equity returns.





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Investor Outlook

The central question entering the fourth quarter is no longer simply when the Federal Reserve will reduce interest rates. The more important question is whether the economic, inflationary and fiscal environment will permit interest rates to return meaningfully toward the levels investors became accustomed to during the previous decade. The September rate increase represented an important change in the monetary-policy landscape. Economic growth remains positive, employment conditions remain broadly supportive and inflation remains above target. These conditions reduce the immediate need for monetary accommodation.

Our assessment is that the threshold for meaningful monetary easing remains high. A sustained decline in policy rates would likely require clearer evidence that inflation is returning durably toward target or that economic activity and employment are weakening materially. Absent either development, policy rates may remain elevated for longer than investors anticipated earlier in the year. Fiscal policy further complicates the outlook. The combination of persistent federal deficits, substantial Treasury financing requirements and rising government interest expense may continue to place upward pressure on longer-term yields even if the Federal Reserve eventually stops raising short-term rates. This creates an important distinction between the Federal Funds rate and market interest rates. A future reduction in the overnight policy rate does not necessarily imply a comparable decline in the 10-year or 30-year Treasury yield. Fiscal deficits, Treasury supply, inflation expectations and the additional compensation investors demand for assuming duration risk can keep longer-term borrowing costs elevated independently of Federal Reserve policy.

This dynamic is particularly relevant given the increasingly visible divergence between monetary and political objectives. President Donald Trump has publicly advocated substantially lower interest rates, including calling for rates of 1% or lower, while the Federal Reserve under Chairman Warsh increased rates during Q3 in response to persistent inflation. Such tension is not without historical precedent. In 1965, President Lyndon Johnson strongly opposed Federal Reserve Chairman William McChesney Martin's decision to tighten monetary policy as fiscal spending and inflationary pressures increased. Martin nevertheless raised the discount rate, an episode that became an important demonstration of Federal Reserve independence. Several years later, monetary policy under Chairman Arthur Burns operated amid considerable political pressure from the Nixon administration for easier financial conditions. These historical episodes are not direct parallels to today's environment. The structure of the economy, sources of inflation and institutional framework differ materially. They nevertheless demonstrate an important principle, when political preferences for lower borrowing costs conflict with a central bank's price-stability mandate, maintaining monetary-policy credibility becomes increasingly important.

Lower policy rates do not necessarily guarantee lower market borrowing costs if they come at the expense of inflation credibility. If investors become concerned that monetary policy is insufficiently restrictive to contain inflation, they may demand greater compensation for holding longer-term government debt. In such an environment, short-term policy rates could eventually decline while longer-term yields remain comparatively elevated. This is particularly important when considered alongside the fiscal position. Monetary and fiscal policy are increasingly pulling in different directions. The Federal Reserve is attempting to restrain inflation through tighter financial conditions, while persistent fiscal deficits continue to support aggregate demand and require substantial Treasury financing. The interaction between these forces may contribute to a structurally higher clearing rate for US capital than investors became accustomed to during the decade preceding the pandemic.

For fixed-income investors, this materially changes the opportunity set. Higher yields have substantially improved prospective fixed-income returns. However, Q3 also demonstrated that attractive yields alone do not protect investors from duration losses. Our preference entering Q4 therefore shifts more decisively toward quality, stability and capital preservation. Within fixed income, we favour high-quality investment-grade securities and shorter-to-intermediate maturities, where investors can obtain meaningful current income while limiting exposure to the volatility associated with long-duration securities. We remain measured on aggressively extending duration until there is clearer evidence that inflation, fiscal pressures and Treasury supply are moderating. Credit selection is equally important. Companies with strong balance sheets, predictable cash flows and manageable refinancing requirements should be better positioned to absorb elevated financing costs. Conversely, relatively compressed high-yield spreads provide less compensation for deterioration in economic conditions or company-specific fundamentals.

Investor Outlook

This represents a meaningful change from much of the previous decade. When risk-free yields were exceptionally low, investors frequently had to accept additional duration, credit or equity risk to achieve acceptable portfolio returns. That is no longer necessarily the case. High-quality fixed income can once again provide meaningful income without requiring investors to assume the same degree of risk. Stability has become an investable return characteristic again.

The outlook for US equities remains supported by resilient corporate profitability and continued investment in AI and related infrastructure. However, the sharp increase in interest rates has raised the hurdle that equity valuations must overcome. Consensus expectations remain constructive. A late-September survey of equity strategists placed the average 2026 year-end S&P 500 target at approximately 7,970, with forecasts ranging from approximately 7,400 to 8,410. With the index ending Q3 at 7,651.54, the consensus therefore implies additional upside through year-end, but considerably less than investors have already experienced during 2026. The significance of that consensus is not the precise index level. Rather, it highlights that further market appreciation will increasingly need to be supported by earnings growth rather than continued expansion in valuation multiples.

Artificial intelligence remains central to that earnings outlook. However, the investment case is entering a more demanding stage. The first phase rewarded the builders of AI infrastructure. The next phase will increasingly require evidence that the enormous capital being deployed can generate attractive economic returns. The companies supplying semiconductors, networking equipment, power, cooling and data-centre infrastructure may continue to benefit from substantial investment. However, investors will increasingly focus on whether businesses purchasing that infrastructure can translate AI adoption into higher productivity, sustainable revenue growth and stronger free cash flow.

Market breadth will consequently be an important indicator during Q4. A healthier advance would involve earnings growth and equity performance broadening beyond the relatively small group of companies responsible for a disproportionate share of recent index returns. Continued narrowing would increase the sensitivity of the broader market to disappointments among its largest constituents. The increase in bond yields also introduces genuine competition for investor capital. When risk-free yields were exceptionally low, investors had relatively few alternatives to equities for generating meaningful nominal returns. With high-quality fixed income now offering substantially higher yields, the relevant allocation question is increasingly whether the expected incremental return from equities adequately compensates investors for the additional volatility and uncertainty. For this reason, the consensus S&P 500 target should be considered within the context of relative value rather than viewed in isolation. Whether the index finishes the year at 7,900, 8,000 or another level is less important than the earnings and cash flows required to justify those valuations when investors can earn materially higher returns from high-quality fixed income.

Energy remains another important variable entering the final quarter. The experience of Q3 demonstrated how quickly geopolitical developments can migrate into inflation and interest-rate expectations. A sustained period of elevated oil prices would place additional pressure on household purchasing power and corporate margins while potentially slowing progress on inflation. Conversely, a meaningful normalization in energy markets would remove an important source of inflationary pressure and give monetary policymakers greater flexibility. We therefore enter Q4 with a greater emphasis on quality, income and stability.

Within fixed income, we favour securities offering strong credit quality, attractive current income and greater certainty of principal repayment. Within equities, we continue to favour companies with durable earnings, strong free cash flow, manageable leverage and the ability to finance growth internally. Structural growth themes remain important, but valuations increasingly require evidence that growth can translate into sustainable economic returns. This does not represent a retreat from growth. Rather, it reflects a higher threshold for accepting risk. The defining tension entering the final quarter is that the US economy remains strong enough to support corporate earnings, but perhaps too strong and inflation too persistent to support the materially lower interest rates previously anticipated by investors. At the same time, fiscal pressures may keep longer-term borrowing costs elevated even after the Federal Reserve eventually reaches the end of its tightening cycle.

In an environment where capital once again has a meaningful cost, the quality of the return matters as much as the magnitude of the return.

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INFORMATION@ANSAWEALTH.COM | +1-868-235-5828 | ANSAWEALTH.COM

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Cautious Optimism as Emerging Catalysts Signal Economic Inflection

Trinidad and Tobago ended the third quarter of 2026 with an economy that remains under near-term pressure but with a noticeably stronger pipeline of potential growth catalysts heading into 2027. The central tension remains clear: current economic activity is relatively weak, foreign exchange availability remains constrained and fiscal space has narrowed, while a series of energy projects, renewed infrastructure activity and changes to the public procurement framework could materially improve the growth trajectory if execution follows.

ECONOMIC STATISTICS

	Q1 2025$_A$	Q2 2025$_A$	Q3 2025$_A$	Q4 2026$_P$	CY 2025	CY 2026$_P$
Real GDP (YoY%)	-2.0	3.9	1.1	-0.9	-0.5	0.8
CPI Growth (YoY%)	0.8	1.5	1.3	0.4	1.0	2.8
Debt/GDP (%)	82.7	84.5	84.0	85.6	85.6	88.1
Unemployment (%)	4.90	3.80	4.80	4.30	4.30	4.80
Labour Participation (%)	54.3	55.1	54.6	55.1	55.1	N/A

(A) Actual (F) Forecast Data via S&P Global Ratings and IMF.

The latest comprehensive assessment from the IMF estimates that the economy grew 0.8% in 2025 and projects growth of approximately 0.8% in 2026, with stronger non- energy activity partly offsetting weakness in energy production. More importantly, the IMF expects growth to accelerate to approximately 3.0% in 2027 and around 3.5% in 2028-2029, principally as new energy projects enter production. This creates an unusual economic backdrop in which the near-term data remain subdued even as the investment and production pipeline becomes more constructive. Inflation has remained exceptionally low.

The latest published CSO Consumer Price Index showed headline inflation of only 0.3% year-on-year in June 2026, with food and non-alcoholic beverages increasing 0.9%. This provides some relief to households, although individual categories continue to experience considerably different price movements. The IMF's full-year forecast is higher, at approximately 3.1% for 2026, reflecting the possibility that international food and energy prices and domestic cost adjustments feed through later in the year.

The external position remains one of the more significant areas of concern. The IMF reported official reserves of US$5.37 billion at the end of 2025, equivalent to approximately 6.1 months of prospective imports, compared with US$5.60 billion a year earlier. Its baseline anticipates reserve coverage declining to approximately 5.5 months during 2026, although Trinidad and Tobago retains a substantial additional buffer through the Heritage and Stabilisation Fund, which held approximately US$6.38 billion at the end of February 2026. Persistent shortages of US dollars nevertheless remain a constraint on businesses, investment and economic diversification. Fiscal conditions are similarly challenging.

The IMF expects the overall fiscal deficit to narrow from approximately 5.5% of GDP in 2025 to 4.6% in 2026, while S&P's methodology produces a broadly comparable general-government deficit estimate of 4.4% of GDP.

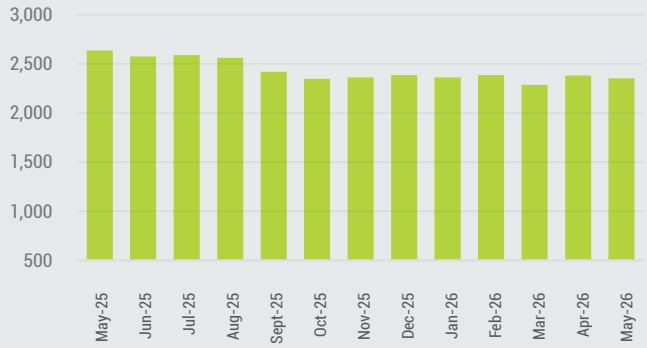
Higher energy prices have provided some support, but persistent deficits and rising debt reinforce the need for expenditure discipline and stronger non-energy revenue generation. The sovereign rating therefore requires some clarification relative to earlier commentary. In July, S&P reaffirmed Trinidad and Tobago's BBB- investment-grade rating, but the outlook remains negative, not positive.

S&P acknowledged the country's strong external creditor position and significant national assets, while identifying slow growth, weakening fiscal buffers, declining reserves and limited diversification as vulnerabilities. The agency also explicitly identified access to Venezuelan gas as a potential upside that is not fully incorporated into its baseline assumptions.

Energy developments were arguably the most consequential events of the quarter. The clearest evidence that the anticipated 2027 gas recovery is moving from planning to physical execution came from Shell's Manatee project. At the end of September, the offshore platform departed McDermott's fabrication yard in Altamira, Mexico, for installation offshore Trinidad and Tobago, the milestone shown in the article provided. The project's locally fabricated jacket and piles were also completed at TOFCO during September. Manatee is expected to achieve first gas in 2027 and reach peak production of approximately 604 million standard cubic feet per day, or roughly 104,000 barrels of oil equivalent per day.

The scale matters. Trinidad's natural gas production averaged approximately 2.5–2.6 billion cubic feet per day in recent fiscal periods. Manatee's eventual peak production is therefore equivalent to roughly one-quarter of that recent production base before accounting for natural declines elsewhere. It will not all represent net incremental production, but it could provide substantial replacement gas and improve utilisation of existing LNG infrastructure.

NATURAL GAS PRODUCTION (MMSCF/D)



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September also produced an important turnaround for Aphrodite. In August, disagreement over commercial terms between Shell and NGC had caused Shell to release the drilling rig originally intended for the development, putting approximately 100 million cubic feet per day of prospective gas at risk. By September 23, however, Shell and NGC had finalised commercial arrangements, clearing a path toward development and targeting first gas in the second quarter of 2027. NGC simultaneously secured 50% of the volumes from the Coconut development, which is expected to begin production in the first quarter of 2027. Reuters reported that the arrangement involves approximately 300 Bcf and that these volumes are intended to support Trinidad's petrochemical sector rather than LNG exports.

Taken together with Manatee, these developments make 2027 increasingly important for the domestic gas balance. The Venezuelan opportunity expanded substantially during Q3. Shell progressed plans for Dragon, including preparations for drilling four wells beginning as early as Q2 2027, subject to final investment decisions and the necessary approvals. Current plans contemplate approximately 70% of Dragon's production being directed toward Atlantic LNG and 30% toward Trinidad's petrochemical sector. Potentially even more significant over the longer term is Loran.

In August, BP, XRG—ADNOC's international investment company, and Qatar's UCC secured rights to develop a second phase of the Venezuelan Loran field, with rights covering up to 4 Tcf from a field estimated to contain approximately 7.3 Tcf. Shell holds rights to another phase. Loran adjoins Shell's Manatee field across the maritime boundary, with the combined Loran-Manatee resource estimated at around 10 Tcf of recoverable gas. These developments significantly expand the potential role of Trinidad's LNG and downstream infrastructure as a processing hub for regional gas rather than solely domestically produced gas.

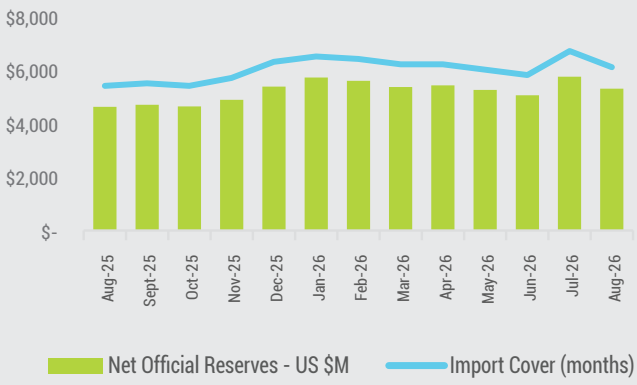
The quarter was not without setbacks. The downstream sector continues to demonstrate how critical commercially viable gas pricing is. Methanex's Titan methanol plant was indefinitely idled at the end of June following unsuccessful negotiations on commercial terms; NGC stated that available gas volumes were not the central issue in those negotiations. At the same time, new gas-sales agreements with MHTL, CNC and N2000 demonstrate that agreements can be reached where commercial conditions align. Outside energy, Nestlé Trinidad and Tobago announced in July that it had begun a strategic review of its dairy, juices and distribution operations. The company said no final decision had been made and that options include a potential sale of its dairy and juices business and third-party arrangements for distribution.

Nestlé also stated that it intends to maintain a strong presence in Trinidad and Tobago. The development nevertheless highlights the need to continuously improve Trinidad's cost competitiveness and business environment.

Construction activity also entered the quarter from a weaker starting point after the OPR halted approximately TT$3.4 billion of HDC contract awards earlier in the year pending review. The delay deferred an anticipated injection into construction and its associated supply chain, including contractors, building-material suppliers, transport, professional services and employment. Against this background, one of Q3's most important legislative developments was Parliament's passage of the Public Procurement and Disposal of Public Property (Amendment) Bill, 2026. The House passed the measure on September 23 and the Senate approved it on September 28 by 16 votes to 15. The amendments alter elements of the procurement framework, including the regulator's powers and procurement exemptions.

The Government argues that the changes can reduce delays in executing public projects, while critics have raised concerns about the implications for oversight and accountability. Those competing considerations will make implementation important to watch. From an economic perspective, faster procurement could benefit housing, construction, infrastructure, public utilities and other government capital programmes if it translates into quicker project mobilisation. The Housing Ministry has already indicated an intention to expand public-private partnerships to accelerate housing construction. The economic benefit, however, will depend not simply on spending more quickly but on ensuring competitive procurement, value for money and timely completion.

NET OFFICIAL RESERVES AND IMPORT COVER



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Investor Outlook

The outlook heading into Q4 and 2027 is more constructive than the current growth numbers alone suggest. Trinidad and Tobago is approaching a period in which several energy projects could begin contributing within a relatively compressed timeframe. The distinction between potential and execution, however, remains critical. The strongest identifiable catalyst is Manatee. The movement of the platform toward Trinidad provides tangible evidence of construction progress ahead of targeted 2027 first gas. At peak production of roughly 604 MMscf/d, Manatee alone has the scale to materially improve the country's gas balance, although depletion from mature fields means its entire production should not be treated as net incremental supply.

Aphrodite and Coconut provide additional supply around the same period. Aphrodite is targeting Q2 2027 first gas following the resolution of its commercial impasse, while Coconut is expected to commence production in Q1. This clustering of projects helps explain why the IMF sees real GDP growth accelerating from approximately 0.8% in 2026 to 3.0% in 2027, followed by roughly 3.5% in 2028-29. The larger opportunity extends beyond Trinidad's borders. Dragon and Loran potentially create a fundamentally different model for the country's energy sector. Rather than relying exclusively on domestic reserves to support an extensive LNG and petrochemical complex, Trinidad could increasingly become the processing and export hub for regional gas reserves. Existing pipelines, Atlantic LNG, Point Lisas, skilled labour and decades of gas-processing expertise give the country infrastructure that would be expensive and time-consuming to replicate elsewhere.

This opportunity also provides an important comparison with Trinidad's previous energy expansion. The boom of the late 1990s and 2000s was characterised by the construction of new LNG trains and rapid expansion of domestic gas production. The next cycle, if it develops, could be different: rather than requiring an entirely new industrial base, additional domestic and Venezuelan gas could utilise infrastructure that already exists. This potentially improves the economics of incremental supply. It would be premature, however, to describe the emerging cycle as a second energy boom. Project execution, gas pricing, mature-field decline and geopolitics remain material uncertainties.

Diplomatic relations with Venezuela will consequently remain economically significant. The Q3 award of Venezuelan Loran development rights to Shell and the BP/XRG/UCC consortium represents an important improvement in the probability that cross-border resources are eventually commercialised through Trinidad. The participation of companies from the United Kingdom, UAE and Qatar also broadens the investment base supporting these developments. Maintaining a functional Trinidad-Venezuela relationship alongside Trinidad's close relationship with the United States will be important to converting these licences into production. The global energy environment may provide an additional near-term tailwind. Higher energy prices associated with Middle East geopolitical disruption can increase Trinidad and Tobago's export receipts and government revenues, although they also raise imported costs and inflation risks.

The IMF specifically identified higher energy prices as supportive of Trinidad's fiscal and external balances in the near term. More recently, LNG market data have indicated stronger Atlantic Basin demand, including from Europe, which reinforces the strategic value of restoring Trinidad's LNG production capacity. ExxonMobil's ultra-deepwater programme provides another longer-dated option. Exxon is evaluating its TTUD-1 acreage, with Occidental approved in June to participate in the block. The acreage lies in very deep water adjacent to the broader Guyana - Suriname petroleum province. Seismic interpretation rather than commercial discovery is the key near-term milestone, so its economic value should not yet be incorporated into growth forecasts. A successful exploration programme, however, could materially extend Trinidad's upstream investment horizon beyond the current gas-project cycle. Outside energy, the passage of the procurement amendments could become an important Q4 catalyst if it facilitates the restart of delayed public investment.

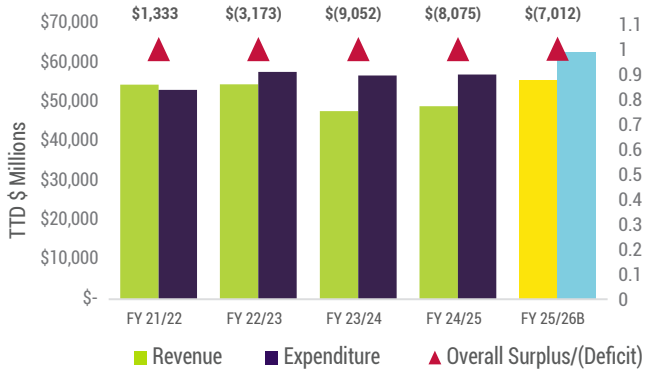
The earlier suspension of TT$3.4 billion of HDC contracts removed an anticipated source of activity from the first half of the year. Renewed housing development and the Government's broader Revitalization Blueprint could therefore provide a second growth engine alongside energy, particularly for construction, building materials, engineering, transport and SMEs. The IMF has itself identified faster implementation of structural reforms and investment under the Revitalization Blueprint as an upside risk to its baseline growth forecast. Attention will also turn to the Government's next national budget in October. With the fiscal deficit still elevated, declining reserves and S&P maintaining a negative outlook, investors will be looking for evidence that new expenditure is accompanied by credible revenue measures, prioritisation of productive investment and a pathway toward rebuilding fiscal buffers.

Foreign exchange remains perhaps the clearest bridge between the energy story and the broader economy. New gas production will matter not only because it raises GDP, but because increased LNG and petrochemical exports can generate hard-currency receipts. The opportunity therefore extends beyond the energy companies themselves: stronger FX generation could eventually improve the operating environment for manufacturers, retailers and other businesses that have struggled with access to US dollars. The timing of that improvement, however, will depend on production volumes, export prices, contractual arrangements and how foreign currency flows through the domestic system. The broader outlook is therefore one of near-term restraint but increasing medium-term opportunity. Trinidad and Tobago has not yet completed an economic turnaround. Current growth is weak, fiscal deficits remain significant, foreign reserves have been declining and corporate developments at Titan and Nestlé illustrate ongoing competitiveness challenges. S&P's negative outlook reinforces the need for measurable policy progress rather than relying on future energy projects alone.

Nevertheless, the collection of developments during Q3 is meaningful. Manatee has moved closer to physical installation; the Aphrodite commercial dispute has been resolved; Coconut volumes have been secured for the domestic downstream sector;

Dragon continues to advance; Loran has attracted Shell, BP, XRG and UCC; Exxon and Oxy are evaluating ultra-deepwater acreage and procurement reform could unlock delayed housing and infrastructure activity. 2027 could therefore represent an inflection point rather than simply another year of modest growth. The opportunity is credible, but the outcome will depend heavily on execution: bringing projects online on schedule, reaching commercially sustainable gas arrangements, maintaining constructive international relationships, accelerating productive investment and rebuilding confidence. If those pieces come together, the next several years could look materially different from the low-growth environment that has characterised much of the past decade.

FISCAL REVENUE, EXPENDITURE AND SURPLUS (DEFICIT)



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