

Week ending June 21, 2019

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with moderate liquidity conditions during the week.
- The BOJ auctioned its 30-day CD this week offering \$14.6 Billion to the market. This auction was undersubscribed. The weighted average yield increased by 10 bps compared to last week's result, moving from 2.29% to 2.39%.
- The BOJ issued a 270 day FR CD offering 7Billion to the market, this CD auction was oversubscribed with the average rate being 2.61%.
- The market is expected to continue trading with moderate to high liquidity conditions in the upcoming week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.60 – 1.00
30 days	1.60-2.20
90 days	2.35-2.60
180 days	2.70-2.85
365 days	2.95-3.15

US\$ FIXED INCOME

The US\$ Fixed income market traded with strong demand over the week, predominantly driven by broker demand for longer tenured funding. Supply for funding remains concentrated for shorter tenors as market participants continue to monitor the effects of strengthened demand.

See closing repo rates below:

Tenor	Current Rate %
Overnight	1.50 -1.75
30 days	3.00-3.25
90 days	3.50-3.75
180 days	3.80-3.90
365 days	4.00-4.10

JA\$ Treasury-Bill Weighted Average Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	June 14, 2019	June 14, 2019	May 15, 2019
Current Yield	1.95%	1.84%	2.09%
Previous Yield	2.10%	2.13%	2.17%
Net Change	-0.14%	-0.29%	-0.08%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ Global Bonds continued trading on moderate volume this week as prices appreciated in line with lower US Treasury yields.
- Trinidad Petroleum Holdings Ltd (formerly Petrotrin) extended the tender offer deadline to Friday June 21, citing participation of US\$528.1M in participation up to Wednesday of this week.
- The US Fed left benchmark interest rates unchanged at this week's meeting as talks of a cut this year intensifies and 10-year US Treasury yields dipped below 2%
- Sagicor bonds continue to trade with little activity as the market braces for the company possibly triggering the \$104.438 call price in August.
- President Trump reportedly called off a strike against Iran days after Iran reportedly shot down a US drone. WTI Crude oil has moved up more than \$4.80 over the week as tensions remain high between both nations

(Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with moderate to high demand amidst moderate supply during the week.
- There was no intervention from the Bank of Jamaica to sell or buy US\$ during the week.
- At the end of trading, Friday June 21, 2019, the Jamaican dollar was valued at \$130.67 against the US\$ which represents an approximately \$0.59 depreciation of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	14-Jun-19	17-Jun-19	18-Jun-19	19-Jun-19	20-Jun-19	21-Jun-19	
USD	130.0817	130.0614	129.999	130.2216	130.6064	130.6735	(0.5918)
CAD	98.2861	96.7438	96.8353	97.1759	99.8793	101.1955	(2.9094)
GBP	163.7066	163.471	162.6125	162.4966	164.8795	166.1305	(2.4239)
EUR	147.4995	146.6932	149.5819	146.4446	151.1209	150.7192	(3.2197)

(Source: Bank of Jamaica)

JAMAICA

Market activity resulted from trading in 107 stocks of which 35 advanced, 39 declined and 33 traded firm.

The market volume amounted to 353,564,923 units valued at over J\$7,756,977,031.42.

The volume leaders are Wigton Windfarm Ltd. with 255,019,633 units (72.13%) followed by NCB Financial Group Limited with 31,396,287 units (8.88%) and Scotia Group Ja. Ltd. with 10,675,523 units (3.02%).

US\$ market volume (excluding blocks) amounted to 10,145,560 units valued at over US\$2,435,171.77.

The closing indices for the week were as follows:-

- The JSE Combined Index advanced by 22,124.55 points (4.83%) to close at 458,386.21.
- The JSE Index advanced by 24,261.90 points (5.25%) to close at 461,748.39.
- The JSE All Jamaican Composite Index advanced by 26,698.47 points (5.27%) to close at 507,032.49.
- The JSE Select Index advanced by 832.84 points (7.01%) to close at 11,875.23.
- The JSE Cross Listed Index had no change 0.00 points (0.00%) to close at 100.08.
- The Junior Market Index declined by 16.50 points (0.53%) to close at 3,111.84.
- The JSE USD Equities Index declined by 0.37 points (0.20%) to close at 188.97.
- The JSE Financial Index advanced by 10.38 points (8.47%) to close at 122.51.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading in 22 stocks of which 6 advanced, 11 declined and 5 traded firm.

The Market volume amounted to 661,031 units valued at over TT\$14,974,151.65.

The volume leaders are Sagicor Financial Corporation Ltd. with 156,486 units (23.67%) followed by Trinidad and Tobago NGL Limited with 154,197 units (23.33%) and JMMB Group Limited with 128,492 units (19.44%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 15.91 points (1.17%) to close at 1,374.31.
- The All T&T Index advanced by 4.37 points (0.24%) to close at 1,802.66.
- The Cross Listed Index advanced by 3.80 points (3.07%) to close at 127.77.
- The SME Index traded firm to close at 99.50.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 133,912 shares. The top three companies traded were FirstCaribbean International Bank with 44,445 (33.19%), Eppley Caribbean Property Fund SCC – Value Fund with 27,512 (20.54%) and Eppley Caribbean Property Fund SCC – Development Fund with 17,243 shares (12.88%).

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	21-Jun-19	14-Jun-19		
Local	3,282.49	3,304.87	-22.38	-0.677%
Cross-list	1,645.36	1,708.13	-62.77	-
Composit	818.53	827.56	-9.03	-1.091%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- This is to advise that SSL Venture Capital Limited has submitted an application for a suspension of trading for the period June 20, 2019 to August 14, 2019 in accordance with Rule 505, Section 14 (b) of the JSE Junior Market Rules. The application for suspension was made in response to the concerns raised by the JSE in its letter dated June 6, 2019, in relation to the Auditor's Report filed on June 4, 2019 for the Company's Audited Financial Statements for the year ended December 31, 2018. The period of suspension will be used (1) to resolve the issues raised and address the breach, (2) to implement appropriate policies and procedures to ensure that these issues do not recur and (3) to submit a modified or restated report that is in compliance with International Financial Reporting Standards and the JSE Junior Market Rules.
- NCBFG has announced that NCB Capital Markets Limited ("NCBCM"), a subsidiary of NCBFG, has enter into a share purchase agreement with Sagcor Investments Jamaica Limited, Fundy Bay Equity Holdings Limited (affiliated with Mark Thompson) and Resource in Motion Limited (affiliated with Donavan Lewis) for the sale of NCBCM's 100% stake in Advantage General Insurance Company Limited. NCBFG further advised that the Share Purchase Agreement contemplates that the shares will be sold for a consideration of US\$50,500,000.00 (approximately J\$6,592,775,000.00). Completion of the transaction is subject to regulatory approval.

See below for top advancers and losers for the week

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
ISP	19.63	4.63	30.87%	KEX	11.14	(1.36)	-10.88%
JSE	25.01	5.29	26.83%	CBNY	0.10	(0.01)	-9.09%
EPPELY	16.40	3.00	22.39%	KPREIT	6.00	(0.50)	-7.69%

(Source: Jamaica Stock Exchange)

Non-GOJ Global Bond Indicative Prices

Bond	Coupon	Size (US\$M)	Bloomberg Composite Rating	Buyback Price	Sale Price	Indicative Offer Yield
Banco BMG SA Eurobond 8.87500% 08/05/2020	8.875%	169.630	B-	101.85	106.45	2.92%
Banco De Credito Del Peru Eurobond 4.25000% 04/01/2023	4.250%	716.301	BBB+	101.37	107.46	2.17%
Bancolombia SA Eurobond 5.12500% 09/11/2022	5.125%	2.945	NR	101.51	106.75	2.91%
CENTRAIS ELÉTRICAS BRASILEIRAS Eurobond 5.75000% 10/27/2021	5.750%	1,750.000	BB-	101.51	106.80	2.73%
CENTRAIS ELÉTRICAS BRASILEIRAS Eurobond 6.87500% 07/30/2019	6.875%	1,000.000	BB-	98.07	100.38	2.93%
Chicago Board of Education US Bond 6.31900% 11/01/2029	6.319%	257.125	B+	105.50	110.75	4.98%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	106.87	112.51	7.10%
Digicel Group Ltd Eurobond 7.12500% 04/01/2022	7.125%	21.004	CC+	38.00	49.14	38.56%
Digicel Group Ltd Eurobond 8.25000% 09/30/2020	8.250%	62.851	NR	69.61	80.96	26.95%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	CC+	25.18	36.394	49.2850%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC+	53.97	63.891	24.0258%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	983.184	NR	19.33	29.038	45.9997%
GENWORTH HOLDINGS INC Eurobond 6.50000% 06/15/2034	6.500%	300.000	B	74.87	80.66	8.86%
Govt. of Aruba Eurobond 4.62500% 09/14/2023	4.625%	253.000	BBB	99.47	104.96	2.99%
Govt. of Bahamas Eurobond 5.75000% 01/16/2024	5.750%	300.000	BB+	104.11	109.51	3.48%
Govt. of Bahamas Eurobond 6.000% 11/21/2028	6.000%	750.000	BB+	104.43	109.25	4.65%
Govt. of Bahamas Eurobond 6.95000% 11/20/2029	6.950%	300.000	BB+	108.39	113.98	5.19%
Govt. of Barbados Eurobond 6.62500% 12/05/2035	6.625%	190.000	DDD+	59.46	68.75	10.24%
Govt. of Barbados Eurobond 7.00000% 08/04/2022	7.000%	200.000	NR	59.00	68.74	20.84%
Govt. of Barbados Eurobond 7.25000% 12/15/2021	7.250%	150.000	DDD+	59.29	69.92	21.98%
Govt. of Barbados Eurobond 7.80000% 08/06/2019	7.800%	2.857	NR	57.25	67.62	416.22%
Govt. of Bermuda Eurobond 4.13800% 01/03/2023	4.138%	475.000	A	101.17	107.34	1.97%
Govt. of Bermuda Eurobond 4.85400% 02/06/2024	4.854%	550.000	A	104.67	111.00	2.33%
Govt. of Costa Rica Eurobond 4.37500% 04/30/2025	4.375%	500.000	B+	93.07	99.09	4.55%
Govt. of Dominican Republic Eurobond 5.87500% 04/18/2024	5.875%	1,000.000	BB-	104.88	110.39	2.97%
Govt. of Ecuador Eurobond 10.50000% 03/24/2020	10.500%	324.630	B-	102.53	107.72	0.16%
Govt. of Panama Eurobond 9.37500% 04/01/2029	9.375%	951.425	BBB	147.88	152.00	3.15%
Govt. of Trinidad Eurobond 4.37500% 01/16/2024	4.375%	550.000	BBB-	98.98	105.06	3.17%
Govt. of Venezuela Eurobond 9.25000% 05/07/2028	9.250%	2,000.000	DD+	23.92	31.36	31.74%
Govt. of Venezuela Eurobond 9.25000% 09/15/2027	9.250%	4,000.000	DD+	24.11	34.15	31.30%
Instituto Costa de Electricidad Eurobond 6.95000% 11/10/2021	6.950%	500.000	B+	99.28	105.03	4.69%
JBS Investments GMBH Eurobond 7.25000% 04/03/2024	7.250%	750.000	BB-	100.61	106.41	5.69%
National Gas Company Eurobond 6.05000% 01/15/2036	6.050%	400.000	BBB-	97.69	103.89	5.68%
Petrobras Global Finance Eurobond 4.47500% 05/20/2023	4.375%	1,645.736	BB-	98.99	105.60	2.85%
Petrobras Global Finance Eurobond 4.75000% 01/14/2025 Euro Denom	4.750%	693.332	BB-	109.53	114.80	1.91%
Petroleos De Venezuela S Eurobond 12.75000% 02/17/2022	12.750%	3,000.000	NR	21.21	30.79	136.99%
Petroleos De Venezuela S Eurobond 5.37500% 04/12/2027	5.375%	3,000.000	NR	18.32	26.01	29.79%
Petroleos De Venezuela S Eurobond 9.00000% 11/17/2021	9.000%	2,394.240	NR	23.30	30.95	57.20%
Petroleos De Venezuela S Eurobond 9.75000% 05/17/2035	9.750%	3,000.000	NR	24.33	32.51	28.17%
Petroleum Company of Trinidad and Tobago Eurobond 9.75000% 08/14/2019	9.750%	850.000	BB-	96.74	101.32	0.05%
Sagcor Finance Ltd Eurobond 8.87500% 08/11/2022	8.875%	320.000	B+	102.47	106.51	-6.65%
Scotiabank Peru S.A. Eurobond 4.50000% 12/13/2027	4.500%	400.000	BBB+	100.63	106.33	2.58%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	105.34	109.86	4.19%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	248.974	11.625%	121.50	129.00	0.29%
GOJ 2025	USD	800	7.625%	113.70	116.95	4.40%
GOJ 2025	USD	183.518	9.250%	123.25	127.25	4.28%
GOJ 2028	USD	1850.45	6.750%	111.40	114.90	4.67%
GOJ 2036	USD	250	8.500%	122.55	126.80	5.94%
GOJ 2039	USD	1243.24	8.000%	122.35	125.35	5.82%
GOJ 2045	USD	1000	7.875%	121.30	125.00	5.97%
AIRIAM 2027	USD	95.2318	8.125%	104.25	109.50	5.49%
NROCC 2024	USD	294.18	9.375%	118.75	122.25	4.65%