

Week ending June 22, 2018

JA\$ FIXED INCOME

- The JA\$ Fixed income market continued to trade with relatively strong liquidity over the week.
- The BOJ conducted its 30-day CD auction this week. The auction was heavily oversubscribed, resulting in a 25bps reduction in the average yield from 2.49% to 2.24%.
- Strong liquidity conditions is expected to dominate the market in the upcoming week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	1.25
30 days	2.20-2.40
90 days	2.50-2.70
180 days	2.80-3.00
365 days	3.10-3.20

US\$ FIXED INCOME

- The US\$ Fixed income market traded with moderate to strong demand over the week, predominantly driven by demand for longer term funding
- Supply remains concentrated on the shorter end of the curve as market participants continue to monitor the effects of strengthened demand.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.5 – 1.00
30 days	1.40-1.50
90 days	1.70-1.80
180 days	1.90-2.00
365 days	2.10-2.25

GOJ Treasury Bill Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	June 15, 2018	June 15, 2018	February 14, 2018
Current Yield	2.54%	2.66%	4.00%
Previous Yield	2.71%	3.08%	4.79%
Net Change	-0.17%	-0.42%	-0.79%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ global bonds experienced modest demand over the week as the market continues to anticipate inflows (part principal and interest) from the GOJ 2019 global bond.
- Jamaica's Finance Minister, Nigel Clarke, reportedly led a delegation on a non-deal roadshow this week; citing that the country is not planning an international debt issuance this year.
- Sagicor offers have been steadily flowing into the market, caused mainly by the Barbados default story.
- Digicel bonds were again under pressure after the company announced results earlier this week.

(Source: JMMB, Bloomberg)

FX MARKET

- The foreign exchange market traded with moderate demand this week amidst strong supply.
- The Bank of Jamaica (BOJ) opted not to intervene in the market this week.
- At the end of trading, Friday June 22, 2018, the Jamaican dollar was valued at 131.21 against the US\$ which represents an approximately \$1.31 appreciation of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	15-Jun-18	18-Jun-18	19-Jun-18	20-Jun-18	21-Jun-18	22-Jun-18	
USD	132.5296	132.2052	132.9864	132.1305	131.9856	131.2132	1.3164
CAD	101.3053	101.1148	101.192	100.0734	100.4584	100.0277	1.2776
GBP	174.4173	176.3729	176.8986	176.5724	175.7166	174.4626	(0.0453)
EUR	152.0567	155.9088	151.4998	156.3507	153.6063	155.8565	(3.7998)

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 93 stocks of which 29 advanced, 28 declined and 36 traded firm.

Market volume amounted to 55,718,470 units valued at over \$609,918,687.75.

Lasco Manufacturing Limited was the volume leader with 13,055,968 units followed by Sygnus Credit Investments JMD ordinary shares with 12,081,927 units and Sygnus Credit Investments US\$ ordinary shares with 5,858,447 units.

US\$ market volume amounted to 5,905,390 units valued at over US\$706,727.18

The closing indices for the week were as follows:-

- The JSE Combined Index advanced by 1,602.30 points (0.51 %) to close at 313,267.96.
- The JSE Index advanced by 1,460.56 points (0.4 %) to close at 304,912.91.
- The JSE All Jamaican Composite Index advanced by 1,603.05 points (0.48 %) to close at 334,659.84.
- The JSE Select Index advanced by 59.48 points (0.65 %) to close at 9,111.30.
- The Junior Market Index advanced by 23.87 points (0.79 %) to close at 3,017.27.
- The JSE USD Equities Index advanced by 0.82 points (0.50 %) to close at 162.63.

(Source: Jamaica Stock Exchange)

TRINIDAD

Market activity resulted from trading in 23 stocks of which 9 advanced, 7 declined and 7 traded firm. Market volume amounted to 1,440,199 units valued at over TT\$14,797,426.51.

Sagicor Financial Corporation Limited was the volume leader with 903,426 units followed by NCB Financial Group Limited with 167,165 units and GraceKennedy Limited with 102,253 units.

The following reflect the movement of the TTSE Indices: -

- The Composite Index declined by 3.37 points (0.27%) to close at 1,234.02.
- The All T&T Index declined by 7.08 points (0.41%) to close at 1,723.42.
- The Cross Listed Index advanced by 0.06 points (0.06%) to close at 100.07.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 110,240 shares. The top three companies traded were Sagicor Financial Corporation Limited with 59,829, FirstCaribbean International Bank with 13,059 and West India Biscuit Company Limited with 12,173 shares.

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES
	22-Jun-18	15-Jun-18	
Local	2,940.12	2,931.74	8.38
Cross-list	1,442.80	1,442.80	-
Composite	731.08	729.27	1.81

(Source: Barbados Stock Exchange)

In other JSE news:

- Blue Power Group Limited (BPOW) has advised that a meeting of their Board will be held on July 2, 2018, at 4:30 p.m., and that among the items the Board will consider will be; 1. The declaration of a dividend. 2. Whether the Board should recommend a stock split to the shareholders.
- The Jamaica Stock Exchange (JSE) has advised that Mr. Ian McNaughton and Mr. Gary Peart have been re-elected Chairman and Deputy Chairman, respectively, of the Board of the Jamaica Stock Exchange, at a meeting of the Board of Directors of the Company held on June 21, 2018.
- Kingston Wharves Limited (KW) has advised that their Board of Directors has declared a dividend of J\$0.20 per share unit, payable on August 17, 2018, to ordinary shareholders on record as of July 20, 2018. The ex-dividend date is July 19, 2018.
- Wisynco Group Limited (WISYNCO) has advised that Mr. Sean Scott, member of the Company's Executive Management Committee, has resigned effective June 29, 2018.

Below is a summary table of the top advancers and decliners for the week:

Advancers				Decliners			
Symbol	Close Price	Change (\$)	%	Symbol	Close Price	Change (\$)	%
BPOW	42.15	13.65	32.38%	BIL	9.39	-2.61	-27.80%
GWEST	2.50	0.30	12.00%	MEEG	6.61	-1.22	-18.46%
KREMI	5.65	0.63	11.15%	CBNY	0.11	-0.02	-18.18%

(Source: Jamaica Stock Exchange)

Non-GOJ Global Bond Indicative Prices

Bond	Coupon	Size (US\$M)	Moody's	Fitch	S&P	Buyback Price	Sale Price	Indicative Offer Yield
Banco BMG SA Eurobond 8.87500% 08/05/2020	8.875%	169.630	B2	B-	#N/A N/A	97.16	101.98	7.83%
Banco De Credito Del Peru Eurobond 4.25000% 04/01/2023	4.250%	716.301	Baa1	BBB+	BBB+	96.60	102.85	3.59%
Bancolombia SA Eurobond 5.12500% 09/11/2022	5.125%	2.945	#N/A N/A	BBB-	#N/A N/A	97.89	103.76	4.14%
CENTRAIS ELETRICAS BRASILEIRAS Eurobond 5.75000% 10/27/2021	5.750%	1,750.00	Ba3	BB-	BB-	94.92	100.35	5.63%
CENTRAIS ELETRICAS BRASILEIRAS Eurobond 6.87500% 07/30/2019	6.875%	1,000.00	#N/A N/A	BB-	BB-	99.50	105.01	2.22%
Chicago Board of Education US\$ Bond 6.31900% 11/01/2029	6.319%	257.13	B3	BB-	B	92.51	97.76	6.60%
Digitel Group Ltd Eurobond 7.12500% 04/01/2022	7.125%	1,000.00	Caa1	B-	#N/A N/A	64.35	70.61	18.24%
Digitel Group Ltd Eurobond 8.25000% 09/30/2020	8.250%	2,000.00	Caa1	B-	#N/A N/A	72.62	79.33	20.04%
GENWORTH HOLDINGS INC Eurobond 4.90000% 08/15/2023	4.900%	400.00	B2	#N/A N/A	B *	85.48	91.04	7.00%
GENWORTH HOLDINGS INC Eurobond 6.50000% 06/15/2034	6.500%	300.00	B2	NR	B *	83.23	88.64	7.75%
Govt. of Aruba Eurobond 4.62500% 09/14/2023	4.625%	253.00	#N/A N/A	BBB-	BBB+	99.70	103.57	3.70%
Govt. of Aruba Eurobond 6.55000% 11/28/2018	6.550%	51.90	#N/A N/A	BBB-	BBB+	99.27	101.49	2.97%
Govt. of Bahamas Eurobond 5.75000% 01/16/2024	5.750%	300.00	Baa3	#N/A N/A	BB+	97.98	104.40	4.84%
Govt. of Bahamas Eurobond 6.000% 11/21/2028	6.000%	750.00	Baa3	#N/A N/A	BB+	98.72	104.88	5.33%
Govt. of Bahamas Eurobond 6.95000% 11/20/2029	6.950%	300.00	Baa3	#N/A N/A	BB+	104.04	109.73	5.77%
Govt. of Barbados Eurobond 6.62500% 12/05/2035	6.625%	255.00	Caa3	#N/A N/A	D	46.25	63.41	11.61%
Govt. of Barbados Eurobond 7.00000% 08/04/2022	7.000%	200.00	#N/A N/A	#N/A N/A	CC *	45.69	63.91	21.78%
Govt. of Barbados Eurobond 7.25000% 12/15/2021	7.250%	150.00	Caa3	#N/A N/A	D	46.97	63.66	23.14%
Govt. of Barbados Eurobond 7.80000% 08/06/2019	7.800%	8.57	#N/A N/A	#N/A N/A	CC *	48.25	61.76	144.41%
Govt. of Bermuda Eurobond 4.13800% 01/03/2023	4.138%	475.00	A2	WD	A+	97.76	103.76	3.24%
Govt. of Bermuda Eurobond 4.85400% 02/06/2024	4.854%	750.00	A2	WD	A+	99.09	105.34	3.79%
Govt. of Costa Rica Eurobond 4.37500% 04/30/2025	4.375%	500.00	Ba2	BB	BB-	90.04	95.45	5.17%
Govt. of Dominican Republic Eurobond 5.87500% 04/18/2024	5.875%	1,000.00	Ba3	BB-	BB-	100.34	105.13	4.67%
Govt. of Ecuador Eurobond 10.50000% 03/24/2020	10.500%	1,500.00	#N/A N/A	B	B-	100.19	105.89	6.85%
Govt. of Panama Eurobond 9.37500% 04/01/2029	9.375%	951.43	Baa2	BBB	BBB	138.23	142.78	4.35%
Govt. of Trinidad Eurobond 4.37500% 01/16/2024	4.375%	550.00	Ba1	#N/A N/A	BBB+	95.96	102.18	3.93%
Govt. of Venezuela Eurobond 13.62500% 08/15/2018	13.625%	300.00	C	WD	D	21.57	30.94	1640.04%
Govt. of Venezuela Eurobond 7.00000% 12/01/2018	7.000%	1,000.00	C	WD	D	26.15	32.98	471.98%
Govt. of Venezuela Eurobond 9.25000% 05/07/2028	9.250%	2,000.00	C	WD	D	24.31	30.61	31.28%
Govt. of Venezuela Eurobond 9.25000% 09/15/2027	9.250%	4,000.00	C	WD	D	25.75	32.00	31.74%
Instituto Costa de Electricidad Eurobond 6.95000% 11/10/2021	6.950%	500.00	Ba2	BB	#N/A N/A	101.00	106.59	4.81%
JBS Investments GMBH Eurobond 7.25000% 04/03/2024	7.250%	750.00	#N/A N/A	BB-	B+	93.60	99.63	12.37%
National Gas Company Eurobond 6.05000% 01/15/2036	6.050%	400.00	Ba1	#N/A N/A	BBB	97.46	104.66	5.63%
Petrobras Global Finance Eurobond 4.37500% 05/20/2023	4.375%	3,500.00	Ba2	BB-	BB-	90.62	96.69	5.15%
Petrobras Global Finance Eurobond 4.75000% 01/14/2025 Euro Denom	4.750%	800.00	Ba2	BB-	BB-	100.04	105.42	3.80%
Petroleos De Venezuela S Eurobond 5.37500% 04/12/2027	5.375%	3,000.00	#N/A N/A	C	D	18.50	25.00	30.95%
Petroleos De Venezuela S Eurobond 9.00000% 11/17/2021	9.000%	2,394.24	#N/A N/A	C	D	19.85	26.35	98.55%
Petroleos De Venezuela S Eurobond 9.75000% 05/17/2035	9.750%	3,000.00	C	C	#N/A N/A	19.60	26.10	39.23%
Petroleum Company of Trinidad and Tobago Eurobond 9.75000% 08/14/2019	9.750%	850.00	B1	#N/A N/A	BB	101.05	105.11	5.04%
Sagicor Finance Ltd Eurobond 8.87500% 08/11/2022	8.875%	320.00	#N/A N/A	B	BB- *	105.77	111.72	2.19%
Scotiabank Peru S.A.A Eurobond 4.50000% 12/13/2027	4.500%	400.00	Baa2	A-	#N/A N/A	97.58	102.78	3.82%
Unicomer 7.875% 04/01/2024	7.875%	350.00	#N/A N/A	BB-	BB-	102.60	107.14	6.34%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2019	USD	174.821	8.000%	100.00	103.50	4.36%
GOJ 2021	USD	6.149	8.500%	104.00	109.00	3.49%
GOJ 2022	USD	248.974	11.625%	123.25	129.25	2.93%
GOJ 2025	USD	800	7.625%	111.75	116.00	4.91%
GOJ 2025	USD	183.518	9.250%	124.00	128.50	4.62%
GOJ 2028	USD	1850.45	6.750%	106.25	111.00	5.30%
GOJ 2036	USD	250	8.500%	118.00	123.00	6.32%
GOJ 2039	USD	1243.24	8.000%	113.25	117.00	6.49%
GOJ 2045	USD	1000	7.875%	111.50	116.00	6.60%
AIRJAM 2027	USD	113.095	8.125%	105.25	110.50	5.48%
JPS 2021	USD	179.189	11.000%	101.75	108.00	7.98%
NROCC 2024	USD	294.18	9.375%	119.50	124.50	4.86%