

Week ending December 11, 2020

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with high liquidity conditions during the week.
- The BOJ auctioned its 30-day CD this week offering JA\$7 Billion to the market. The auction continues to be oversubscribed; the weighted average increased slightly from 0.54% to 0.57%.
- The GOJ auctioned their Treasury Bills on Dec 9, 2020, see results below.
- The market is expected to trade with high liquidity conditions next week.

See closing repo rates below:

| Tenor | Current Rate % |
|-----------|----------------|
| Overnight | 0.35 – 0.50 |
| 30 days | 1.50 – 1.90 |
| 90 days | 2.25 – 2.50 |
| 180 days | 2.75 - 3.00 |
| 365 days | 3.25 – 3.50 |

US\$ FIXED INCOME

The US\$ Fixed income market continues to trade with fair liquidity conditions over the week. There continues to be broker demand for long-term repo funding in the market, while supply is mainly for short-term placements. See closing repo rates below:

| Tenor | Current Rate % |
|-----------|----------------|
| Overnight | 1.00 -1.25 |
| 30 days | 1.75-2.00 |
| 90 days | 2.25-2.50 |
| 180 days | 2.75-3.00 |
| 365 days | 3.25-3.50 |

JA\$ Treasury-Bill Weighted Average Yields

| Instrument | 90 Day Treasury Bill | 180 Day Treasury Bill | 270 Day Treasury Bill |
|----------------|----------------------|-----------------------|-----------------------|
| Last Auction | December 11, 2020 | December 11, 2020 | November 11, 2020 |
| Current Yield | 0.77% | 0.86% | 1.04% |
| Previous Yield | 0.78% | 0.94% | 1.65% |
| Net Change | -0.01% | -0.08% | -0.61% |

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- Government of Jamaica bonds traded higher this week as Emerging market bonds continue to experience stronger demand
- Jamaica's long-term foreign and local currency ratings affirmed at 'B+' by S&P, short-term ratings affirmed at 'B'
- Fitch Ratings has upgraded Suriname's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'C' from 'RD'
- After offering to tender the 2021, 2024, 2025 global notes, the Dominican Republic has upsized the 4.875% 2032 an additional US\$1.266B

(Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with low to moderate demand over the week amidst moderate supply.
- There was no intervention from the Bank of Jamaica (BOJ) during the week.
- At the end of trading, Friday December 11, 2020, the Jamaican dollar was valued at \$144.45 against the US\$ which represents an approximately \$0.53 appreciation in the value of the JA\$ for the week.

| | Weighted Avg. Sell Rates | | | | | | Weekly Change (\$) |
|-----|--------------------------|----------|----------|----------|-----------|-----------|--------------------|
| | 4-Dec-20 | 7-Dec-20 | 8-Dec-20 | 9-Dec-20 | 10-Dec-20 | 11-Dec-20 | |
| USD | 144.9956 | 144.8143 | 144.5292 | 144.9554 | 144.5641 | 144.4558 | 0.5398 |
| CAD | 112.5769 | 111.8304 | 112.6305 | 112.9399 | 113.1321 | 112.4629 | 0.1140 |
| GBP | 196.0958 | 192.0468 | 193.8823 | 192.7368 | 193.6282 | 191.0027 | 5.0931 |
| EUR | 178.0696 | 175.9796 | 177.8342 | 175.6796 | 177.3775 | 176.1297 | 1.9399 |

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 101 stocks of which 43 advanced, 49 declined and 9 traded firm.

The Market volume amounted to 156,698,804 units valued at over J\$478,544,167.92.

The market volume leaders are MailPac Group Limited with 60,713,206 units (38.75%), followed by TransJamaica Highway Limited with 34,113,028 units (21.77%) and QWI Investments Limited with 21,371,998 units (13.64%).

US\$ market volume (excluding blocks) amounted to 726,995 units valued at over US\$118,703.67.

The following reflect the movement of the JSE Indices:

- The JSE Combined Index declined by 3,274.68 points (0.84%) to close at 388,337.07.
- The JSE Index declined by 4,188.47 points (1.06%) to close at 392,235.25.
- The JSE All Jamaican Composite Index declined by 4,452.33 points (1.03%) to close at 429,895.90.
- The JSE Select Index declined by 61.88 points (0.64%) to close at 9,671.09.
- The Junior Market Index advanced by 54.57 points (2.19%) to close at 2,550.79.
- The JSE USD Equities Index declined by 1.20 points (0.64%) to close at 187.55.
- The JSE Financial Index declined by 1.83 points (1.76%) to close at 102.30.
- The JSE Manufacturing & Distribution Index advanced by 1.04 points (1.31%) to close at 80.69.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 25 securities of which 12 advanced, 8 declined and 5 traded firm.

The Market volume amounted to 1,209,358 shares crossing the floor of the Exchange valued at TT\$13.326 million.

The volume leaders are JMMB Group Limited with 487,354 shares (40.30%) followed by Guardian Holdings Limited WITH 213,751 shares (17.67%) and Clico Investments Fund with 28,036 shares (2.32%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index advanced by 11.10 points (0.86%) to close at 1,300.33.
- The ALL T&T Index advanced by 24.76 points (1.44%) to close at 1,740.11.
- The CROSS-LISTED Index declined by 0.38 points (0.33%) to close at 116.33.
- The SME Index traded firm to close at 64.33.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 11,404 shares. The top three companies traded were Goddard Enterprises Limited with 6,547 (57.41%), Eppley Caribbean Property Fund SCC – Development Fund with 4,512 (39.57%) and FirstCaribbean International Bank with 277 shares (2.43%).

The BSE Indices ending December 10, 2020.

| INDICES | TODAY'S TRADING | LAST TRADING | CHANGES | % Change |
|------------|-----------------|--------------|---------|----------|
| | 11-Dec-20 | 4-Dec-20 | | |
| Local | 2,593.69 | 2,423.29 | 170.4 | 7.032% |
| Cross-list | 1,037.14 | 948.98 | 88.16 | - |
| Composite | 632.7 | 590.82 | 41.88 | 7.088% |

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- BPOW has advised that the Company has been notified by the relevant Government Ministries that COTED, an organ of CARICOM, has ruled that Jamaica (Trade Board) should not issue any Certificates of Origin for soaps manufactured under the current manufacturing process in Jamaica. Lack of a certificate of origin from Jamaica may require an importer in a CARICOM country to pay a tariff on imported Jamaican soap. BPOW has further advised that this ruling does not affect the Company's sales within Jamaica and exports to non-CARICOM countries such as the USA and the UK.
- SGJ has advised that Mrs. Audrey Tugwell Henry has been appointed to the Board of Directors of Scotia Investments Jamaica Limited effective December 7, 2020. SGJ has further advised that Mrs. Tugwell Henry has been appointed to the Board of Directors of Scotia Group Jamaica Limited and The Bank of Nova Scotia Jamaica Limited effective December 9, 2020. Additionally, Mr. David Noel will resign from the Boards effective December 31, 2020 as a result of an appointment to a new role with Scotiabank in Toronto.
- ICREATE has advised that the Annual General Meeting of the Company is scheduled to be held at 3:00 p.m. on December 28, 2020 at iCreate Limited, 72B Hope Road, Kingston 6.
- SGJ has also declared a final dividend of 45 cents payable on January 20, 2021 to shareholders on record as at December 29, 2020. The ex-dividend date is December 28, 2020.

| Advancers | | | | | Decliners | | | | |
|-----------|------------------|-------------|--------|----------|------------------|-------------|---------|--|--|
| Symbol | Close Price (\$) | Change (\$) | % | Symbol | Close Price (\$) | Change (\$) | % | | |
| CBNY | 0.22 | 0.08 | 57.14% | 1834 INV | 0.82 | (0.16) | -16.33% | | |
| ISP | 22.97 | 5.97 | 35.12% | MIL | 5.70 | (1.04) | -15.43% | | |
| CAC | 1.14 | 0.17 | 17.53% | KEY | 8.10 | (1.31) | -13.92% | | |

(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 De Credito Del Peru 4.25% 04/01/2023 | 4.250% | 716.301 | BBB+ | 98.84 | 108.07 | 0.70% |
| Bancolumbia SA 5.125% 09/11/2022 | 5.125% | 2.945 | NR | 97.59 | 106.90 | 1.11% |
| Centrais Eletricas Brasileiras 5.75% 10/27/2021 | 5.750% | 625.702 | BB- | 95.45 | 104.68 | 0.34% |
| Chicago Board of Education US\$ Bond 6.319% 11/01/2029 | 6.319% | 257.125 | BB- | 100.16 | 110.16 | 4.89% |
| Credito Real SAB De CV 9.50% 02/07/2026 | 9.500% | 400.000 | BB | 107.50 | 114.98 | 6.06% |
| Digicel Group 0.5 Ltd 10.0% 04/01/2024 | 10.000% | 988.311 | CCC- | 80.46 | 88.37 | 15.07% |
| Digicel Group 0.5 Ltd 8.00% 04/01/2025 | 8.000% | 399.208 | CC | 35.37 | 42.73 | 32.57% |
| Digicel Group Ltd 7.125% 04/01/2022 | 7.125% | 21.004 | NR | 1.00 | 5.58 | 458.20% |
| Digicel Group Two Ltd 8.25% 09/30/2022 | 8.250% | 27.166 | NR | 0.62 | 9.33 | 217.81% |
| Digicel Group Two Ltd 9.125% 04/01/2024 | 9.125% | 7.817 | NR | 0.68 | 8.64 | 124.04% |
| Genworth Holdings Inc 6.50% 06/15/2034 | 6.500% | 300.000 | B- | 90.64 | 101.74 | 6.31% |
| Govt. of Aruba 4.625% 09/14/2023 | 4.625% | 253.000 | BBB- | 98.51 | 107.27 | 0.45% |
| Govt. of Bahamas 5.75% 01/16/2024 | 5.750% | 300.000 | BB- | 94.46 | 102.34 | 4.92% |
| Govt. of Bahamas 6.00% 11/21/2028 | 6.000% | 750.000 | BB- | 90.86 | 99.24 | 6.13% |
| Govt. of Bahamas 6.95% 11/20/2029 | 6.950% | 300.000 | BB- | 95.00 | 102.33 | 6.60% |
| Govt. of Bahamas 8.95% 10/15/2032 | 8.950% | 825.000 | BB- | 103.86 | 111.92 | 7.42% |
| Govt. of Barbados 6.50% 10/01/2021 | 6.500% | 530.595 | NR | 98.02 | 105.92 | 5.40% |
| Govt. of Barbados 6.50% 02/01/2021 | 6.500% | 2.482 | NR | 96.59 | 100.39 | 0.91% |
| Govt. of Bermuda 4.138% 01/03/2023 | 4.138% | 353.905 | A | 103.93 | 108.14 | 0.16% |
| Govt. of Bermuda 4.854% 02/06/2024 | 4.854% | 402.203 | A | 107.51 | 115.03 | 0.87% |
| Govt. of Costa Rica 4.375% 04/30/2025 | 4.375% | 500.000 | B | 90.12 | 98.10 | 4.06% |
| Govt. of Dominican Republic 5.875% 04/18/2024 | 5.875% | 611.492 | BB- | 104.47 | 112.35 | 0.55% |
| Govt. of Dominican Republic 8.875% 09/23/2032 | 8.875% | 3,066,000 | BB- | 104.03 | 110.41 | 3.77% |
| Govt. of Dominican Republic 5.875% 01/30/2060 | 5.875% | 3,200,000 | BB- | 101.88 | 109.50 | 5.30% |
| Govt. of Panama 9.375% 04/01/2029 | 9.375% | 951,425 | BBB | 149.71 | 158.64 | 1.75% |
| Govt. of Trinidad 4.375% 01/16/2024 | 4.375% | 550.000 | BB+ | 103.43 | 110.31 | 0.97% |
| Govt. of Trinidad 4.5% 06/26/2030 | 4.500% | 500.000 | BB+ | 103.04 | 109.94 | 3.28% |
| Govt. of Venezuela 9.250% 05/07/2028 | 9.250% | 2,000,000 | DD+ | 5.30 | 13.90 | 70.97% |
| Govt. of Venezuela 9.25% 09/15/2027 | 9.250% | 4,000,000 | DD+ | 5.42 | 14.19 | 65.32% |
| Instituto Costa de Electricidad 6.95% 11/10/2021 | 6.950% | 500.000 | B | 95.02 | 105.09 | 1.26% |
| National Gas Company 6.05% 01/15/2036 | 6.050% | 400.000 | BB+ | 104.31 | 113.02 | 4.82% |
| Petrobras Global Finance 4.375% 05/20/2023 | 4.375% | 985.071 | BB- | 98.64 | 108.06 | 1.01% |
| Petrobras Global Finance 4.75% 01/14/2025 Euro Denom | 4.750% | 446.148 | BB- | 105.23 | 117.20 | 0.49% |
| Petroleos De Venezuela SA 12.75% 02/17/2022 | 12.750% | 3,000,000 | NR | 1.27 | 6.82 | 500.11% |
| Petroleos De Venezuela SA 5.375% 04/12/2027 | 5.375% | 3,000,000 | NR | 0.47 | 7.09 | 77.43% |
| Petroleos De Venezuela SA 9.00% 11/17/2021 | 9.000% | 2,394,240 | NR | 0.87 | 6.53 | 699.02% |
| Petroleos De Venezuela SA 9.75% 05/17/2035 | 9.750% | 3,000,000 | NR | 1.38 | 6.95 | 99.71% |
| Sagicor Finance Ltd 8.875% 08/11/2022 | 8.875% | 318.103 | BB | 97.15 | 102.60 | 3.38% |
| Scotiabank Peru S.A.A. 4.50% 12/13/2027 | 4.500% | 400.000 | BBB | 101.18 | 108.04 | 0.45% |
| Telecom Services TT 8.875% 10/18/2029 | 8.875% | 300.000 | B | 97.81 | 104.69 | 8.03% |
| Trinidad Generation Unlimited 5.25% 11/04/2027 | 5.250% | 600.000 | BB+ | 103.22 | 109.78 | 3.33% |
| Trinidad Petroleum Holdings Ltd 9.75% 06/15/2026 | 9.750% | 570.265 | BB- | 110.18 | 118.26 | 2.32% |
| Unicomer 8.75% 04/01/2024 | 8.750% | 350.000 | BB- | 98.97 | 105.81 | 1.42% |

GOJ Global Bond Indicative Prices

| BOND | CURRENCY | SIZE (M) | COUPON | BID | OFFER | Offer YTM |
|-------------|----------|----------|---------|--------|--------|-----------|
| GOJ 2022 | USD | 208.24 | 11.625% | 106.00 | 112.50 | 0.16% |
| GOJ 2025 | USD | 401.18 | 7.625% | 112.55 | 122.05 | 2.49% |
| GOJ 2025 | USD | 85.23 | 9.250% | 117.95 | 127.25 | 3.15% |
| GOJ 2028 | USD | 1421.45 | 6.750% | 116.15 | 125.40 | 2.90% |
| GOJ 2036 | USD | 250 | 8.500% | 139.55 | 147.85 | 4.21% |
| GOJ 2039 | USD | 1243.24 | 8.000% | 140.60 | 150.60 | 4.05% |
| GOJ 2045 | USD | 1815 | 7.875% | 136.55 | 146.05 | 4.70% |
| AIRJAM 2027 | USD | 83.3333 | 8.125% | 100.50 | 110.00 | 4.91% |
| NROCC 2024 | USD | 294.18 | 9.375% | 111.00 | 119.20 | 4.02% |