

Week ending December 18, 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\$6 Billion to the market. The auction continues to be oversubscribed; the weighted average decreased from 0.57% to 0.53%.
- 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 mostly higher this week as the market continue to favor emerging market debt
- Digicel has reportedly received 'unsolicited' approaches for its Pacific operations
- GDP in Latin America and the Caribbean could contract 7.7% this year as the Covid-19 pandemic continues to hammer the hemisphere, the United Nation's Economic Commission for Latin America and the Caribbean, or ECLAC, said in a report Wednesday. The group sees Caribbean GDP shrinking 7.9%.
- The Dominican Republic has suspended commercial passenger flights to Venezuela after Nicolas Maduro's regime on Dec. 13 suspended all international flights -- except to Turkey, Mexico and Bolivia -- citing Covid-19 concerns.
- Costa Rica's fiscal deficit, high borrowing costs and post-pandemic economic recovery could increase pressure on debt sustainability even if the country secures an IMF deal, Fitch Ratings said in a report as the country seeks to negotiate a three-year \$1.75 billion agreement.

(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 18, 2020, the Jamaican dollar was valued at \$144.18 against the US\$ which represents an approximately \$0.26 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	11-Dec-20	14-Dec-20	15-Dec-20	16-Dec-20	17-Dec-20	18-Dec-20	
USD	144.4558	144.2404	144.2014	144.1269	144.0183	144.1878	0.2680
CAD	112.4629	112.4849	111.1807	113.1527	113.6681	111.8672	0.5957
GBP	191.0027	191.0437	193.6129	192.7426	194.8825	194.2710	(3.2683)
EUR	176.1297	177.1282	177.6541	177.2858	178.4721	178.6205	(2.4908)

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 101 stocks of which 45 advanced, 45 declined and 11 traded firm.

The Market volume amounted to 156,132,743 units valued at over J\$1,792,673,895.39.

The market volume leaders are MailPac Group Limited with 45,522,028 units (29.16%), followed by Wigton Windfarm Limited with 17,520,842 units (11.22%) and TransJamaica Highway Limited with 17,321,319 units (11.09%).

US\$ market volume (excluding blocks) amounted to 2,197,269 units valued at over US\$290,377.74.

The following reflect the movement of the JSE Indices:

- The JSE Combined Index declined by 3,666.83 points (0.94%) to close at 384,670.24.
- The JSE Index declined by 4,240.17 points (1.08%) to close at 387,995.08.
- The JSE All Jamaican Composite Index declined by 4,924.23 points (1.15%) to close at 424,971.67.
- The JSE Select Index declined by 167.34 points (1.73%) to close at 9,503.75.
- The JSE Cross Listed Index advanced by 8.42 points (9.63%) to close at 95.87.
- The Junior Market Index advanced by 22.26 points (0.87%) to close at 2,573.05.
- The JSE USD Equities Index advanced by 3.23 points (1.72%) to close at 190.78.
- The JSE Financial Index declined by 1.51 points (1.48%) to close at 100.79.
- The JSE Manufacturing & Distribution Index declined by 0.63 points (0.78%) to close at 80.06.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 24 securities of which 13 advanced, 7 declined and 4 traded firm.

The Market volume amounted to 1,031,674 shares crossing the floor of the Exchange valued at TT\$16.334 million.

The volume leaders are JMMB Group Limited with 355,850 shares (34.49%) followed by National Enterprises Limited with 138,169 shares (13.39%) and Clico Investments Fund with 45,626 shares (4.42%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index advanced by 17.18 points (1.32%) to close at 1,317.51.
- The ALL T&T Index advanced by 4.94 points (0.28%) to close at 1,745.05.
- The CROSS-LISTED Index advanced by 4.03 points (3.46%) to close at 120.36.
- The SME Index traded firm at 64.33 points.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 30,501 shares. The top three companies traded were FirstCaribbean International Bank with 16,283 (53.39%), Goddard Enterprises Limited with 8,239 (27.01%) and One Caribbean Media Limited with 3,139 shares (10.29%).

The BSE Indices ending December 18, 2020.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	18-Dec-20	11-Dec-20		
Local	2,598.80	2,593.69	5.11	0.197%
Cross-list	933.43	1,037.14	-103.71	-10.000%
Composite	632.35	632.7	-0.35	-0.055%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- Key Insurance Co. limited will do a "Rights" issue, seeking to raise over \$668 million with the sale of over 190.863 million shares at a subscription price of J\$3.50. This offer is to existing shareholders in the ratio of 1 for every 1.9305 units held (259:500). The record date of this offer is December 10, 2020. The offer opens on December 23, 2020 and closes on January 11, 2021. The prospectus is available for your perusal at <https://www.jamstockex.com/key-insurance-company-limited-key-circular-letter-renounceable-rights-issue-of-190863000-ordinary-shares/>
- Sygnus Credit Investments Limited will do an Additional Public Offer (APO), seeking to raise over \$3 billion with the sale of over 196,372,432 shares divided into two classes (J\$ and US\$) at a subscription price of J\$14.70 to J\$16.30 and US\$0.1270 to US\$0.1400. The issuing company may upsize the offer by an additional 82,271,772 units, if the offer is oversubscribed. The general public may participate in this offer. The offer opens on December 18, 2020 and closes on December 18, 2020. The prospectus is available for your perusal at <https://www.jamstockex.com/sygnus-credit-investments-limited-sci-additional-public-offering-of-ordinary-shares-prospectus/>
- Derrimon Trading Limited will do an Additional Public Offer (APO), seeking to raise at least J\$3.50 billion with the sale of over 1,498,698,931 shares at a subscription price of J\$2.20 to J\$2.40. The issuing company may upsize the offer by an additional 301.30 million units. The offer opens on January 6, 2021 and closes on January 26, 2021. The prospectus is available for your perusal at <https://www.jamstockex.com/wp-content/uploads/2020/12/DERRIMON-Trading-Prospectus-Final-Web-Upload.pdf>

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
1834 INV	0.98	0.16	19.51%	TJH US\$	0.01	(0.01)	-50.00%
CAC 2000	10.00	1.57	18.62%	EPPLEY 8.75%	6.14	(2.71)	-30.62%
RJR	1.27	0.18	16.51%	CBNY	0.18	(0.04)	-18.18%

(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+	99.02	108.38	0.54%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	97.84	107.19	0.90%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	95.52	104.75	0.13%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	101.00	111.00	4.78%
Credito Real SAB De CV 9.500% 02/07/2026	9.500%	400.000	BB	106.55	114.03	6.25%
Digicel Group 0.5 Ltd 10.0% 04/01/2024	10.000%	988.311	CCC-	80.61	88.52	15.11%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	399.208	CC	39.56	47.19	29.70%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	NR	1.00	5.69	462.24%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	27.166	NR	0.62	8.46	248.24%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	0.71	7.52	135.14%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B-	96.34	101.22	6.36%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB-	98.30	107.05	0.53%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB-	94.70	102.58	4.83%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB-	90.70	99.78	6.04%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB-	94.86	102.16	6.62%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	BB-	103.42	111.48	7.47%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	98.02	105.92	5.40%
Govt. of Barbados 6.50% 02/01/2021	6.500%	2.482	NR	96.52	100.36	1.29%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	353.905	A	103.98	108.19	0.10%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	402.203	A	107.69	114.71	0.13%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	89.65	97.49	5.02%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	611.492	BB-	105.35	113.25	0.15%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066.000	BB-	105.38	111.87	3.63%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200.000	BB-	104.27	111.88	5.16%
Govt. of Panama 4.375% 04/01/2029	4.375%	951.425	BBB	151.09	160.11	1.59%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	103.51	110.36	0.94%
Govt. of Trinidad 4.5% 06/26/2030	4.500%	500.000	BB+	103.33	110.28	3.24%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	5.36	14.11	70.07%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	5.32	14.21	71.41%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	94.63	104.99	1.25%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	103.86	112.57	4.86%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	985.071	BB-	98.38	107.81	1.08%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	446.148	BB-	106.28	118.15	0.25%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	1.54	6.87	514.10%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	0.47	6.93	88.11%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	0.87	6.92	699.68%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	1.50	6.95	101.00%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB	98.49	104.33	-18.96%
Scotiabank Peru S.A. 4.50% 12/13/2037	4.500%	400.000	BBB	101.01	107.86	0.50%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	97.78	104.65	8.04%
Trinidad Generation Unlimited 5.25% 11/04/2027	5.250%	600.000	BB+	103.71	110.27	3.23%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	113.40	121.48	0.36%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	99.09	105.92	0.61%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	107.25	111.75	0.62%
GOJ 2025	USD	401.18	7.625%	112.80	121.80	2.53%
GOJ 2025	USD	85.23	9.250%	117.50	127.00	3.17%
GOJ 2028	USD	1421.45	6.750%	116.65	125.90	2.83%
GOJ 2036	USD	250	8.500%	139.75	148.75	4.14%
GOJ 2039	USD	1243.24	8.000%	139.80	149.80	4.10%
GOJ 2045	USD	1815	7.875%	136.85	146.35	4.68%
AIRJAM 2027	USD	83.3333	8.125%	100.50	110.00	4.89%
NROCC 2024	USD	294.18	9.375%	114.00	122.20	3.26%