

Week ending February 21, 2020

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with moderate liquidity conditions during the week.
- The Bank of Jamaica auctioned its 30-day CD this week offering JA\$10 Billion to the market. The auction was oversubscribed; the weighted average yield increased by 87 bps compared to last week's result, moving from 1.48% to 2.35%
- The market is expected to trade with moderate liquidity conditions for the upcoming week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.45 – 0.85
30 days	2.50 – 2.75
90 days	2.85 - 3.10
180 days	3.25 - 3.50
365 days	3.75 – 4.00

US\$ FIXED INCOME

The US\$ Fixed income market traded with moderate 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	1.00 -1.50
30 days	2.20-2.50
90 days	2.75-3.00
180 days	3.20-3.40
365 days	3.50-3.75

JA\$ Treasury-Bill Weighted Average Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	February 12, 2020	February 12, 2020	February 12, 2020
Current Yield	1.34%	1.39%	1.67%
Previous Yield	1.25%	1.45%	1.73%
Net Change	0.09%	-0.06%	-0.06%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ bonds experienced relatively strong demand this week with investors still keen on the long end of the curve.
 - The IMF is forecasting a rebound in global growth this year despite the coronavirus outbreak.
 - As anxiety grows with the spread of the coronavirus, US 10-year Treasury yields point downwards on expectations that the Fed could cut rates later this year.
 - Fitch upgraded Sagicor Financial Corporation Ltd.'s Long Term Issuer Default Rating to 'BB' from 'BB-'.
- (Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with stronger supply than demand.
- The Bank of Jamaica (BOJ) did not intervene in the market via B-FXITT this week.
- At the end of trading, Friday February 21, 2020, the Jamaican dollar was valued at \$140.0089 against the US\$ which represents an approximately \$2.30 appreciation in the value of the JA\$ for the week.

Weighted Avg. Sell Rates							
	14-Feb-20	17-Feb-20	18-Feb-20	19-Feb-20	20-Feb-20	21-Feb-20	Weekly Change (\$)
USD	142.3094	142.1679	141.6562	141.0534	140.5273	140.0089	2.3005
CAD	107.9180	107.4826	107.1453	106.1673	105.9763	103.9969	3.9211
GBP	185.4205	183.7523	184.3017	181.5834	182.0129	181.8380	3.5825
EUR	153.6932	154.1546	154.0360	152.5859	151.6573	152.4035	1.2897

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 95 stocks of which 52 advanced, 34 declined and 9 traded firm.

The Market volume amounted to 107,798,751 units valued at over \$700,070,810.59.

The market volume leaders are Wigton Windfarm Limited with 27,063,481 units (25.11%) followed by Sagicor Select Fund Limited –Financial with 26,769,396 units (24.83%) and Sagicor Select Fund Limited – Manufacturing and Distribution with 8,769,571 units (8.14%).

US\$ market volume (excluding blocks) amounted to 646,519 units valued at over US\$355,622.00.

- The JSE Combined Index advanced by 3,633.49 points (0.76%) to close at 482,554.01.
- The JSE Index advanced by 4,129.65 points (0.85%) to close at 490,002.61.
- The JSE All Jamaican Composite Index advanced by 4,729.27 points (0.89%) to close at 538,262.01.
- The JSE Select Index advanced by 81.98 points (0.66%) to close at 12,534.34.
- The JSE Cross Listed Index declined by 6.15 points (6.39%) to close at 90.10.
- The Junior Market Index declined by 14.77 points (0.50%) to close at 2,947.43.
- The JSE USD Equities Index advanced by 0.90 points (0.39%) to close at 229.80.
- The JSE Financial Index advanced by 0.61 points (0.46%) to close at 132.78.
- The JSE Manufacturing & Distribution Index advanced by 0.87 points (0.95%) to close at 92.70.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 22 stocks of which 8 advanced, 8 declined and 6 traded firm.

The Market volume amounted to 1,295,871 units valued at over TT\$18,249,656.36.

The volume leaders are Clico Investments Fund was the volume leader with 524,175 units (40.45%) followed by JMMB Group Limited with 399,837 units (30.85%) and NCB Financial Group Limited with 283,035 units (21.84%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 9.51 points (0.63%) to close at 1,512.61.
- The All T&T Index advanced by 21.80 points (1.14%) to close at 1,932.83.
- The Cross Listed Index declined by 0.40 points (0.27%) to close at 147.97.
- The SME Index remained unchanged close at 68.45.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 506,077 shares. The top three companies traded were Goddard Enterprises Limited with 417,635 (85.52%), Eppley Caribbean Property Fund SCC - Development Fund with 59,838 (1.82%) and Eppley Caribbean Property Fund SCC - Value Fund with 20,000 (3.95%).

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	21-Feb-20	14-Feb-20		% Change
Local	3,234.23	3,233.92	0.31	0.010%
Cross-list	1,348.28	1,348.28	-	0.000%
Composit	790.03	789.96	0.07	0.009%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- Pulse Investments (PULS) has advised that the Board of Directors of the Company is considering the following acquisitions:
 - A substantial (non-controlling) stake in Irie Jam 360 Media, a New York based radio, TV and internet media group, broadcast to a mainly Caribbean market in the tri state area of New York, New Jersey and Connecticut.
 - A substantial stake in a cosmetics company branded with the name and likeness of a famous international film and TV star, with Caribbean roots. This specific investment is in the very early stages of discussion and negotiation.
- PULS has also notified the market that the recommendation of a three (3) for one (1) stock split be considered at a special Board of Directors' meeting scheduled to be held on February 26, 2020.
- Medical Disposables & Supplies Ltd, in keeping with strategic plans to expand its Consumer Goods and Medical Divisions, has recently been appointed distributors of several product lines that includes. These include Tree Hut, Hawaiian Silky, Wonder Gro, Baby Magic, Swinger Safety Matches, Stauffers and Sana Health Care Underpads.
- ICREATE has also advised that the Company raised J\$24,000,000 through the issue of a bond arranged by Sagicor Investments Jamaica Limited. The bond, issued on February 7, 2020, has semi-annual coupon payments and matures in five years.

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
138SL	8.89	4.50	102.51%	SALF	26.44	(8.56)	-24.46%
PTL	1.90	0.43	29.25%	MPCCEL	150.00	(26.43)	-14.98%
138SL	6.00	1.00	20.00%	MTL	0.30	(0.05)	-14.29%

(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 8.875% 08/05/2020	8.875%	169.630	B-	99.47	103.28	1.43%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	102.73	108.88	1.32%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	103.63	108.88	1.55%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	102.18	107.42	1.25%
Chicago Board of Education USS Bond 6.319% 11/01/2029	6.319%	257.125	BB-	111.59	116.84	4.19%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	114.95	120.50	5.42%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	5.86	15.14	140.04%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	62.08	71.14	76.91%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	21.20	30.82	68.85%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	60.66	70.37	23.00%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	12.13	21.70	63.44%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	98.02	103.93	6.08%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	101.32	107.07	1.78%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	106.09	112.23	2.44%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	111.44	117.38	3.42%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	115.62	122.55	4.11%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	102.98	108.29	5.12%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	98.81	101.79	-16.58%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	102.60	108.80	1.01%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	107.29	113.60	1.31%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	96.70	102.86	3.76%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	105.37	111.09	2.20%
Govt. of Ecuador 10.500% 03/24/2020	10.500%	324.630	B-	98.23	100.67	2.10%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	152.82	157.28	2.35%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BBB-	103.81	109.90	1.73%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	12.14	19.11	49.82%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	12.08	18.95	53.94%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	100.53	106.31	3.13%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	104.58	109.55	5.16%
Petrobras Global Finance 4.375% 02/03/2023	4.375%	1,405.620	BB-	102.90	109.40	1.39%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	114.00	119.24	0.73%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	5.86	14.13	247.97%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.53	14.11	49.38%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	5.68	13.65	364.73%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	6.09	14.32	60.57%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	103.00	105.44	-3.73%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB+	102.02	107.61	1.70%
Transjamaica 5.75% 10/10/2036	5.750%	225.000	B+	102.65	108.15	4.77%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	112.41	116.79	5.09%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	107.24	111.67	0.78%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	115.25	122.00	0.03%
GOJ 2025	USD	401.18	7.625%	116.95	120.20	3.48%
GOJ 2025	USD	85.23	9.250%	125.60	129.60	3.44%
GOJ 2028	USD	1421.45	6.750%	117.00	120.50	3.81%
GOJ 2036	USD	250	8.500%	136.40	140.65	4.83%
GOJ 2039	USD	1243.24	8.000%	137.70	140.95	4.72%
GOJ 2045	USD	1815	7.875%	136.50	140.25	5.05%
AIRJAM 2027	USD	89.2857	8.125%	107.25	112.25	4.49%
NROCC 2024	USD	294.18	9.375%	117.75	122.25	4.13%