

Week ending February 7, 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 3 bps compared to last week's result, moving from 1.14% to 1.17%.
- The market is expected to trade with moderate liquidity conditions in the upcoming week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.45 – 0.85
30 days	2.30 – 2.50
90 days	2.75 - 3.00
180 days	3.25 - 3.50
365 days	3.75 – 3.90

## 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	January 15, 2020	January 15, 2020	November 13, 2019
Current Yield	1.25%	1.45%	1.73%
Previous Yield	1.32%	1.60%	1.82%
Net Change	-0.07%	-0.15%	-0.09%

(Source: Bank of Jamaica)

## GLOBAL BOND MARKET

- Prices on the short end of the GOJ curve (2025, 2028) declined marginally as the long end (2039, 2045) traded positively as investors continue to seek higher yields.
- Transjamaica Highway launched a new US\$225M 5.75% 2036 global bond.
- The IMF believes Barbados' recent successful debt restructuring could reduce economic uncertainty and help put the country's debt load on a downward trajectory.
- The Coronavirus outbreak continues raise concerns globally as the number of deaths and confirmed cases rise.
- President Trump avoiding impeachment this week could pave the way for a November reelection.

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with moderate to strong demand over the week against moderate supply.
- The Bank of Jamaica (BOJ) did not intervene in the market via B-FXITT this week.
- At the end of trading, Friday February 7, 2020, the Jamaican dollar was valued at \$142.3272 against the US\$ which represents an approximately \$1.11 depreciation in value of the JA\$ for the week.

Weighted Avg. Sell Rates							
	24-Jan-20	27-Jan-20	28-Jan-20	29-Jan-20	30-Jan-20	31-Jan-20	Weekly Change (\$)
USD	141.2206	140.8515	141.5355	141.8043	142.0356	142.3272	(1.1066)
CAD	106.6357	104.5098	107.4047	107.1308	104.2641	105.8360	0.7997
GBP	184.6367	182.2662	182.5178	183.4918	182.4798	184.7340	(0.0973)
EUR	154.9815	155.7020	156.4749	158.4317	158.2412	156.1045	(1.1230)

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 114 stocks of which 22 advanced, 59 declined and 33 traded firm.

The Market volume amounted to 161,869,663 units valued at over J\$600,822,748.31

The market volume leaders are Sagicor Select Fund Limited –Financial with 52,008,897 units (32.13%) followed by Wigton Windfarm Limited with 45,867,791 units (28.34%) and Sagicor Select Fund Limited – Manufacturing and Distribution with 18,916,536 units (11.69%) .

US\$ market volume (excluding blocks) amounted to 308,559 units valued at over US\$70,709.22.

- The JSE Combined Index declined by 15,804.33 points (3.31%) to close at 477,898.37.
- The JSE Index declined by 16,020.31 points (3.31%) to close at 484,443.02.
- The JSE All Jamaican Composite Index declined by 17,484.33 points (3.29%) to close at 532,029.73.
- The JSE Select Index declined by 447.34 points (3.63%) to close at 12,333.65.
- The JSE Cross Listed Index declined by 7.91 points (8.47%) to close at 93.42.
- The Junior Market Index declined by 98.88 points (3.31%) to close at 2,988.89.
- The JSE USD Equities Index advanced by 0.10 points (0.04%) to close at 230.58.
- The JSE Financial Index declined by 4.69 points (3.58%) to close at 130.96.
- The JSE Manufacturing & Distribution Index declined by 3.40 points (3.73%) to close at 91.18.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 24 stocks of which 11 advanced, 8 declined and 5 traded firm.

The Market volume amounted to 2,137,883 units valued at over TT\$27,716,082.66.

The volume leaders are NCB Financial Group Limited was the volume leader with 944,239 units (44.17%) followed by Clico Investments Fund with 932,578 units (43.62%) and JMMB Group Limited with 535,673 units (25.06%).

#### The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 10.03 points (0.67%) to close at 1,505.21.
- The All T&T Index advanced by 21.93 points (1.16%) to close at 1,919.00.
- The Cross Listed Index declined by 0.28 points (0.19%) to close at 147.84.
- The SME Index traded firm at 67.73.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 149,219 shares. The top three companies traded were Eppley Caribbean Property Fund SCC - Development Fund with 86,268 (57.81%), Eppley Caribbean Property Fund SCC - Value Fund with 28,878 (19.35%) and Goddard Enterprises Limited with 26,025 (17.44%).

#### The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	7-Feb-20	31-Jan-20		% Change
Local	3,156.45	3,156.80	-0.35	-0.011%
Cross-list	1,348.28	1,348.28	-	0.000%
Composi	771.49	771.58	-0.09	-0.012%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- PROVEN has advised that with the approval of the Registrar of Companies, Proven Fund Managers Limited, a subsidiary of PROVEN, changed its name to International Financial Planning Jamaica Limited and was issued with a Certificate of Incorporation on Change of Name dated January 10, 2020.
- This is to advise that effective Monday, February 10, 2020, the ordinary shares of Sweet River Abattoir & Supplies Company Limited will be delisted from the JSE Junior Market.
- TransJamaica Highway Limited has released a Main Market Prospectus for an IPO of 8,000,000,000 shares with the option to upsize to 10,000,000,000 shares. The IPO is price at JA\$1.41 per share or US\$0.01 per share. The offer is set to open on February 17<sup>th</sup>, 2020. The offer is lead by NCB Capital Markets with JMMB Securities as Co Broker.
- Caribbean Assurance Brokers Limited has released a Junior Market Prospectus for an IPO of 52,500,000 ordinary shares at a price of 1.91 per share. The offer will open on February 18, 2020 with Mayberry Investments Limited as the lead broker and sole selling agent.

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
<b>PULS</b>	<b>8.02</b>	<b>1.53</b>	<b>23.57%</b>	<b>SIL US\$</b>	<b>0.02</b>	<b>(0.01)</b>	<b>-33.33%</b>
<b>138SL</b>	<b>5.00</b>	<b>0.76</b>	<b>17.92%</b>	<b>KPREIT</b>	<b>6.00</b>	<b>(1.50)</b>	<b>-20.00%</b>
<b>MTL US\$</b>	<b>0.35</b>	<b>0.04</b>	<b>12.90%</b>	<b>CBNY</b>	<b>0.10</b>	<b>(0.02)</b>	<b>-16.67%</b>

(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-	99.75	103.81	0.95%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	102.42	108.58	1.44%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	102.75	108.08	1.91%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	102.15	107.36	1.38%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	109.80	115.05	4.40%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	114.44	120.01	5.53%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	5.63	14.93	138.52%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	61.88	71.03	72.54%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	22.22	31.84	65.99%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	60.01	69.72	23.22%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	12.58	22.16	62.02%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	97.43	103.68	6.11%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	101.16	106.91	1.88%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	105.78	111.81	2.57%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	110.77	116.75	3.52%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	114.30	120.92	4.30%
Govt. of Barbados 6.30% 10/01/2029	6.300%	530.595	NR	100.44	106.20	5.46%
Govt. of Barbados 6.30% 02/01/2021	6.300%	32.482	NR	98.50	100.40	1.14%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	102.37	108.56	1.12%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	106.88	113.17	1.44%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B+	97.24	103.31	3.67%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	104.70	110.31	2.48%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324.630	B-	98.33	100.52	5.87%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	151.66	156.18	2.47%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BBB-	103.95	110.01	1.73%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	9.04	15.21	58.53%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	9.12	15.98	60.80%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	100.92	106.84	2.90%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	102.80	108.68	5.24%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	102.09	108.59	1.67%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	113.67	118.93	0.81%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	4.17	11.76	228.56%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.54	11.95	54.45%
Petroleos De Venezuela SA 9.00% 01/17/2021	9.000%	2,394.240	NR	3.53	11.72	388.48%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	4.04	12.17	68.58%
Sagcor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	102.58	104.90	2.77%
Scotiabank Peru S.A. 4.50% 12/13/2027	4.500%	400.000	BBB+	101.86	107.46	1.79%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	112.21	116.60	5.23%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	107.30	111.73	0.94%

### GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2025	USD	401.18	7.625%	116.75	120.00	3.54%
GOJ 2025	USD	85.23	9.250%	125.40	129.40	3.50%
GOJ 2028	USD	1421.45	6.750%	116.40	119.90	3.90%
GOJ 2036	USD	250	8.500%	135.25	139.50	4.91%
GOJ 2039	USD	1243.24	8.000%	136.20	139.45	4.82%
GOJ 2045	USD	1815	7.875%	134.80	138.55	5.14%
AIRJAM 2027	USD	89.2857	8.125%	107.25	112.25	4.54%
NROCC 2024	USD	294.18	9.375%	117.75	122.25	4.17%