

Week ending January 17, 2020

## JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low liquidity conditions during the week.
- The BOJ auctioned its 30-day CD this week offering \$12.9 Billion to the market. The auction was oversubscribed; the weighted average yield increased by 12 bps compared to last week's result, moving from 0.92% to 1.04%.
- The market is expected to trade with low to moderate liquidity conditions as liquidity slowly returns to the market.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.35 – 0.45
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

- GOJ bond trading was relatively active this week with moderate to strong trading volume across the curve.
- Bahamas may be considering an international debt issuance as the country attempts to rebound from hurricane Dorian.
- International ratings agency, Fitch has downgraded Suriname's rating from 'B-' to 'CCC'.
- The US and China on Wednesday signed formally to a phase one trade deal.

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with increased 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 January 17, 2020, the Jamaican dollar was valued at \$138.6711 against the US\$ which represents an approximately \$2.93 depreciation in value of the JA\$ for the week.

Weighted Avg. Sell Rates							
	10-Jan-20	13-Jan-20	14-Jan-20	15-Jan-20	16-Jan-20	17-Jan-20	Weekly Change (\$)
USD	135.7425	136.4617	137.0098	137.2910	137.6704	138.6711	(2.9286)
CAD	104.6900	101.8440	103.6624	103.0577	106.6841	107.5514	(2.8614)
GBP	174.9382	173.2650	176.6051	178.8949	180.7472	183.3071	(8.3689)
EUR	151.2252	151.4318	153.4990	155.6329	153.6729	157.2132	(5.9880)

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 114 stocks of which 34 advanced, 57 declined and 23 traded firm.

The Market volume amounted to 155,729,859 units valued at over J\$547,197,492.69.

The market volume leaders are Sagicor Select Fund Limited –Financial with 67,143,704 units (43.12%) followed by Wigton Windfarm Limited with 35,253,104 units (22.64%) and Sagicor Select Fund Limited –Manufacturing and Distribution with 7,343,724 units (4.72%) .

US\$ market volume (excluding blocks) amounted to 877,290 units valued at over US\$298,923.84.

- The JSE Combined Index declined by 6,127.75 points (1.24%) to close at 492,382.71.
- The JSE Index declined by 5,757.53 points (1.16%) to close at 497,578.98.
- The JSE All Jamaican Composite Index declined by 6,295.86 points (1.15%) to close at 546,364.42.
- The JSE Select Index declined by 110.04 points (0.86%) to close at 12,775.39.
- The JSE Cross Listed Index declined by 2.74 points (2.75%) to close at 99.75.
- The Junior Market Index declined by 76.35 points (2.38%) to close at 3,209.01.
- The JSE USD Equities Index advanced by 17.69 points (7.15%) to close at 247.53.
- The JSE Financial Index declined by 0.52 points (0.38%) to close at 135.51.
- The JSE Manufacturing & Distribution Index declined by 1.35 points (1.42%) to close at 95.32.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 24 stocks of which 9 advanced, 9 declined and 6 traded firm.

The Market volume amounted to 1,187,696 units valued at over TT\$21,664,848.73

The volume leaders are JMMB Group Limited was the volume leader with 249,756 units (21.03%) followed by Trinidad and Tobago NGL Limited with 191,012 units (16.08%) and National Enterprise Limited with 176,242 units (14.84%).

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

- The Composite Index declined by 8.74 points (0.59%) to close at 1,480.36.
- The All T&T Index declined by 16.74 points (0.88%) to close at 1,883.15.
- The Cross Listed Index declined by 0.09 points (0.06%) to close at 145.97.
- The SME Index declined by 0.60 points (0.88%) to close at 67.73.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 29,115 shares. The top three companies traded were Eppley Caribbean Property Fund SCC - Development Fund with 20,052 (68.87%), Goddard Enterprises Limited with 4,400 (15.11%) and Cave Shepherd and Company Limited with 2,000 (0.69%).

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

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	17-Jan-20	10-Jan-20		
Local	3,153.07	3,144.52	8.55	0.272%
Cross-list	1,374.21	1,400.14	-25.93	0.000%
Composite	771.05	769.38	1.67	0.217%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- Portland JSX has advised that the Company has completed its Investment phase and now looks forward to accelerating growth of profit and shareholder value in 2020 and beyond.
- The Board of JAMT has approved the following recommendations that are to be considered further as Special Business the next AGM. They are THAT the existing authorized 1,000,000,000 ordinary shares in the capital of the Company be increased to unlimited ordinary shares with no maximum and THAT each of the issued ordinary shares in the capital of the Company be subdivided into three (3) ordinary shares with effect from the close of business on 1 April 2020 resulting in the total issued shares in the capital of the Company being increased from 695,083,459 ordinary shares of no par value to 2,085,250,377 ordinary shares of no par value."
- Sweet River Abattoir has disclosed that its plant facility was auctioned on November 26, 2019. In light of this, the board has stated the company still continues to operate the facility and will seek to complete the restructuring plan for the company. The company's annual reports and financial statements also remain outstanding.
- The Board of Pulse Investments Ltd has considered and will propose to shareholders at the AGM on February 18, 2020, for them to vote on, that the company be authorized to issue any or all of these shares pursuant to a Rights Issue or Stock Split or both, as the Directors may determine.

### See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
SCIUSD	0.18	0.04	22.22%	JMMBGL5.75%PREF	1.72	(0.30)	-17.65%
MEEG	6.37	1.17	18.41%	KEX	9.11	(1.40)	-15.41%
ICREATE	0.86	0.12	14.43%	JETCON	1.48	(0.22)	-14.98%

(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-	100.00	104.31	0.79%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	102.10	108.26	1.58%
Bancolombia SA 5.125% 09/11/2022	5.125%	2.945	NR	102.75	108.17	1.93%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	1,750,000	BB-	101.73	106.95	1.73%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257,125	BB-	109.57	114.82	4.43%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400,000	BB+	114.69	120.26	5.51%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21,004	C+	5.26	14.59	137.12%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62,851	C+	61.20	70.67	68.07%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937,149	C+	23.74	33.36	62.19%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000,000	CCC	60.89	70.60	22.43%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993,016	NR	14.98	24.56	57.00%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300,000	B	97.19	103.08	6.17%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253,000	BBB	101.41	107.16	1.84%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300,000	BB+	105.63	111.69	2.64%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750,000	BB+	110.19	116.17	3.61%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300,000	BB+	113.78	120.26	4.39%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530,595	NR	97.65	103.04	5.98%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475,000	A	102.11	108.55	1.18%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550,000	A	106.67	113.22	1.47%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500,000	B+	96.72	104.81	3.37%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000,000	BB-	104.61	110.42	2.50%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324,630	B-	98.96	101.54	1.51%
Govt. of Panama 9.375% 04/01/2029	9.375%	951,425	BBB	150.65	155.26	2.58%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550,000	BBB-	104.02	110.19	1.72%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000,000	DD+	8.99	15.31	57.05%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000,000	DD+	8.59	15.01	62.45%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500,000	B+	101.04	106.77	3.05%
National Gas Company 6.05% 01/15/2036	6.050%	400,000	BBB-	101.89	107.72	5.33%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405,620	BB-	101.82	108.32	1.79%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639,649	BB-	113.26	118.57	0.92%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000,000	NR	4.03	11.69	214.83%
Petroleos De Venezuela SA 5.375% 04/17/2027	5.375%	3,000,000	NR	2.52	11.83	53.91%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394,240	NR	2.92	11.43	360.78%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000,000	NR	3.86	11.88	68.16%
Sagor Finance Ltd 8.875% 08/11/2022	8.875%	320,000	BB-	102.58	105.64	-7.63%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400,000	BBB+	101.57	107.17	1.94%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570,265	BB-	110.76	115.22	5.86%
Unicomer 7.875% 04/01/2024	7.875%	350,000	BB-	107.10	111.53	1.37%

### GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2025	USD	401.18	7.625%	117.25	120.50	3.48%
GOJ 2025	USD	85.23	9.250%	126.00	130.00	3.45%
GOJ 2028	USD	1421.45	6.750%	117.30	120.80	3.80%
GOJ 2036	USD	250	8.500%	135.35	139.60	4.91%
GOJ 2039	USD	1243.24	8.000%	136.40	139.65	4.81%
GOJ 2045	USD	1815	7.875%	134.75	138.50	5.15%
AIRJAM 2027	USD	89.2857	8.125%	107.25	112.25	4.57%
NROCC 2024	USD	294.18	9.375%	117.75	122.25	4.22%