

Week ending January 24, 2020

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low to moderate liquidity conditions during the week.
- The BOJ auctioned its 30-day CD this week offering \$10 Billion to the market. The auction was oversubscribed; the weighted average yield increased by 53 bps compared to last week's result, moving from 1.04% to 1.57%.
- The market is expected to trade with moderate liquidity conditions as liquidity 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 prices fell marginally across the curve on moderate trading activity.
- The Dominican Republic issued US\$1B of 4.5% 2030 and US\$1.5B of 5.875% 2060 global bonds.
- Sagicor Financial Company Ltd announced that US\$1.897M worth of 2022 bonds were tendered at the \$101.00 offer price.
- A close watch is being maintained on the status of the coronavirus outbreak in China and its potential impact on global markets.
- The efforts to remove President Trump continue this week in the Senate.

(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 24, 2020, the Jamaican dollar was valued at \$140.7084 against the US\$ which represents an approximately \$2.03 depreciation in value of the JA\$ for the week.

Weighted Avg. Sell Rates							
	17-Jan-20	20-Jan-20	21-Jan-20	22-Jan-20	23-Jan-20	24-Jan-20	Weekly Change (\$)
USD	138.6711	139.1725	138.9728	140.5731	140.5614	140.7084	(2.0373)
CAD	107.5514	107.3465	108.3662	109.9221	107.8041	109.8023	(2.2509)
GBP	183.3071	181.4530	182.3855	181.1228	183.3662	182.2590	1.0481
EUR	157.2132	147.1159	156.5007	156.2196	156.9205	155.3589	1.8543

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 114 stocks of which 28 advanced, 57 declined and 29 traded firm.

The Market volume amounted to 150,520,942 units valued at over J\$1,154,414,134.00.

The market volume leaders are Wigton Windfarm Limited with 49,815,824 units (33.10%) followed by Sagicor Select Fund Limited –Financial with 34,395,055 units (22.85%) and Sagicor Select Fund Limited – Manufacturing and Distribution with 11,402,180 units (7.58%).

US\$ market volume (excluding blocks) amounted to 720,153 units valued at over US\$202,998.36.

- The JSE Combined Index declined by 1,651.07 points (0.34%) to close at 490,731.64.
- The JSE Index declined by 1,217.65 points (0.25%) to close at 496,361.33.
- The JSE All Jamaican Composite Index declined by 1,377.95 points (0.25%) to close at 544,986.47.
- The JSE Select Index declined by 155.88 points (1.24%) to close at 12,619.51.
- The JSE Cross Listed Index advanced by 1.62 points (1.60%) to close at 101.37.
- The Junior Market Index declined by 48.52 points (1.54%) to close at 3,160.49.
- The JSE USD Equities Index declined by 13.94 points (5.97%) to close at 233.59.
- The JSE Financial Index declined by 1.42 points (1.06%) to close at 134.09.
- The JSE Manufacturing & Distribution Index declined by 0.58 points (0.61%) to close at 94.74.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 24 stocks of which 11 advanced, 7 declined and 6 traded firm.

The Market volume amounted to 918,670 units valued at over TT\$11,981,646.62.

The volume leaders are JMMB Group Limited was the volume leader with 284,623 units (30.98%) followed by Clico Investments Funds with 242,388 units (26.38%) and NCB Financial Group Limited with 175,906 units (19.15%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 9.68 points (0.65%) to close at 1,490.04.
- The All T&T Index advanced by 9.32 points (0.50%) to close at 1,892.47.
- The Cross Listed Index advanced by 1.38 points (0.95%) to close at 147.35.
- The SME Index remained unchanged at 67.73.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 52,000 shares. The two companies traded were Eppley Caribbean Property Fund SCC - Development Fund with 50,000 (96.15%) and Goddard Enterprises Limited with 2,000 (3.85%).

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	24-Jan-20	17-Jan-20		% Change
Local	3,154.33	3,153.07	1.26	0.040%
Cross-list	1,374.21	1,374.21	-	0.000%
Composit	771.34	771.05	0.29	0.038%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- Key Insurance has advised that the Company has received a Takeover Bid Circular from GraceKennedy Financial Group Limited on January 20, 2020 with an offer to purchase 100% of the Company's issued share capital at the price of \$2.01 per ordinary share. KEY has further advised that the Company will issue and circulate a Directors' Circular to its shareholders in due course.
- CPJ has advised that the Company has entered into a Management Agreement with Taste of Life Limited, this agreement was finalized on January 17, 2020. Under the terms of this agreement, Taste of Life Limited will assume responsibility for the day to day operations and management of CRU; a bar and restaurant operated by CPJ and located at leased premises at 71 Lady Musgrave Road in Kingston. This agreement will allow CPJ to concentrate on its core business while benefiting from the expertise of Taste of Life in the growth and development of the CRU brand.
- GK has announced plans to further strengthen and expand its Financial Division through an offer by the holding company, GraceKennedy Financial Group Limited (GKFG), to acquire general insurance entity, Key Insurance Company Limited, a company listed on the Junior Market of the Jamaica Stock Exchange.
- Supreme Ventures Limited has advised that its wholly owned subsidiary, Bingo Investments Limited (Bingo), has completed the acquisition of the assets of Champion Gaming Limited.
- Wigton has advised of the appointment of Earl Barrett as Managing Director of the Company effective January 20, 2020.

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
VMIL	13.18	2.54	23.87%	ISP	22.10	(7.40)	-25.08%
JMMBGL 5.75% U.S.\$	2.10	0.38	22.09%	PULS	5.81	(1.00)	-14.68%
KW	65.82	9.79	17.47%	SCIUSD	0.16	(0.02)	-11.11%

(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-	100.03	104.35	0.49%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	102.42	108.58	1.47%
Bancolombia SA 5.125% 09/11/2022	5.125%	2.945	NR	102.61	107.86	2.03%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	1,750,000	BB-	102.72	107.94	1.14%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257,125	BB-	108.54	113.79	4.55%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400,000	BB+	114.93	120.50	5.46%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21,004	C+	5.29	14.55	138.47%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62,851	C+	61.63	70.97	68.88%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937,149	C+	23.51	33.12	62.92%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000,000	CCC	62.97	72.68	21.27%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993,016	NR	15.17	24.74	56.86%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300,000	B	98.89	104.81	6.00%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253,000	BBB	101.43	107.18	1.81%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300,000	BB+	105.59	111.70	2.62%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750,000	BB+	110.44	116.39	3.57%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300,000	BB+	113.93	120.49	4.36%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530,595	NR	97.70	103.22	5.95%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475,000	A	102.15	108.35	1.23%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550,000	A	106.58	112.88	1.54%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500,000	B+	98.62	104.66	3.40%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000,000	BB-	104.41	110.13	2.57%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324,630	B-	98.70	100.96	4.16%
Govt. of Panama 9.375% 04/01/2029	9.375%	951,425	BBB	150.89	155.43	2.56%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550,000	BBB-	104.06	110.19	1.71%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000,000	DD+	9.07	15.10	58.02%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000,000	DD+	9.00	15.05	62.76%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500,000	B+	101.03	106.92	2.94%
National Gas Company 6.05% 01/15/2036	6.050%	400,000	BBB-	102.55	107.61	5.34%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405,620	BB-	102.16	108.67	1.67%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639,649	BB-	113.46	118.76	0.87%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000,000	NR	5.50	11.50	222.42%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000,000	NR	2.97	11.68	54.64%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394,240	NR	3.68	11.70	364.17%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000,000	NR	3.95	12.00	68.15%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	320,000	BB-	102.78	105.40	-4.08%
Scotiabank Peru S.A.A. 4.50% 12/13/2027	4.500%	400,000	BBB+	101.84	107.45	1.83%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570,265	BB-	112.06	116.50	5.32%
Unicomer 7.875% 04/01/2024	7.875%	350,000	BB-	107.18	111.61	1.23%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2025	USD	401.18	7.625%	117.15	120.40	3.49%
GOJ 2025	USD	85.23	9.250%	125.85	129.85	3.46%
GOJ 2028	USD	1421.45	6.750%	117.00	120.50	3.83%
GOJ 2036	USD	250	8.500%	135.05	139.30	4.93%
GOJ 2039	USD	1243.24	8.000%	135.80	139.05	4.85%
GOJ 2045	USD	1815	7.875%	134.20	137.95	5.18%
AIRJAM 2027	USD	89.2857	8.125%	107.25	112.25	4.55%
NROCC 2024	USD	294.18	9.375%	117.75	122.25	4.20%