

Week ending January 31, 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\$9 Billion to the market. The auction was oversubscribed; the weighted average yield decreased by 43 bps compared to last week's result, moving from 1.57% to 1.14%.
- 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

- GOJ bonds experienced improved trading activity this week as investors looked to swap the short end of the yield curve (2025s and 2028s) for the long end of the curve (2036s, 2039s and 2045s) in search of higher yields.
- Fitch affirmed Jamaica's rating B+ and raises outlook to positive from stable
- The World Health Organization declared and international health emergency over coronavirus outbreak
- The UK's January 31 departure from the European Union (Brexit) got the all clear as the European Parliament approved Prime Minister Boris Johnson's deal.

(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 January 31, 2020, the Jamaican dollar was valued at \$141.2206 against the US\$ which represents an approximately \$0.51 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	140.7084	140.6648	140.7899	140.9131	140.9165	141.2206	(0.5122)
CAD	109.8023	106.4088	109.7378	104.7790	107.0928	106.6357	3.1666
GBP	182.2590	181.3228	182.1334	182.2775	184.3894	184.6367	(2.3777)
EUR	155.3589	156.1248	155.2430	154.9014	157.7204	154.9815	0.3774

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 114 stocks of which 33 advanced, 52 declined and 29 traded firm.

The Market volume amounted to 180,124,877 units valued at over J\$844,522,006.38.

The market volume leaders are Sagicor Select Fund Limited –Financial with 79,907,501 units (44.36%) followed by Wigton Windfarm Limited with 41,565,922 units (23.08%) Sagicor Select Fund Limited – Manufacturing and Distribution with 16,887,437 units (9.38%).

US\$ market volume (excluding blocks) amounted to 437,525 units valued at over US\$200,296.35

- The JSE Combined Index advanced by 2,971.06 points (0.60%) to close at 493,702.70.
- The JSE Index advanced by 4,102.00 points (0.82%) to close at 500,463.33.
- The JSE All Jamaican Composite Index advanced by 4,527.59 points (0.82%) to close at 549,514.06.
- The JSE Select Index advanced by 161.48 points (1.26%) to close at 12,780.99.
- The JSE Cross Listed Index declined by 0.04 points (0.04%) to close at 101.33.
- The Junior Market Index declined by 72.72 points (2.36%) to close at 3,087.77.
- The JSE USD Equities Index declined by 3.11 points (1.35%) to close at 230.48.
- The JSE Financial Index advanced by 1.56 points (1.15%) to close at 135.65.
- The JSE Manufacturing & Distribution Index declined by 0.16 points (0.17%) to close at 94.58.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 23 stocks of which 10 advanced, 11 declined and 2 traded firm.

The Market volume amounted to 756,615 units valued at over TT\$16,137,266.43.

The volume leaders are Trinidad and Tobago NGL Limited was the volume leader with 199,310 units (26.34%) followed by GraceKennedy Limited with 103,011 units (13.61%) and LJ Williams Limited B with 70,473 units (9.31%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 5.14 points (0.35%) to close at 1,495.18.
- The All T&T Index advanced by 4.60 points (0.24%) to close at 1,897.07.
- The Cross Listed Index advanced by 0.77 points (0.52%) to close at 148.12.
- 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 87,443 shares. The top three companies traded were Goddard Enterprises Limited with 82,944 (94.85%), Insurance Corporation of Barbados Limited with 1,518 (1.74%) and One Caribbean Media Limited with 1,000 (1.14%).

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	31-Jan-20	24-Jan-20		% Change
Local	3,156.80	3,154.33	2.47	0.078%
Cross-list	1,348.28	1,374.21	-25.93	0.000%
Composit	771.58	771.34	0.24	0.031%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- The Board of Jamaica Teas Limited (JAMT) has approved the following recommendations for consideration at the next AGM, that the authorized 1,000,000,000 ordinary shares in the capital of the Company be increased to an unlimited ordinary shares with no maximum and. It was also proposed that 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."
- MPC Caribbean Clean Energy Limited (MPCCEL) has advised that Mr. Gerard Borely stepped down as a Director and Chairman of the Company, effective January 31, 2020. MPCCEL has further advised that Mr. Jose Fernando Zuniga Galindo has been appointed as the Chairman of the Board of Directors of the Company, effective February 1, 2020.
- Proven Investments Limited (PROVEN) and Sagicor Investments Jamaica Limited (SIJL) have entered into an underwriting agreement in respect of the proposed Additional Public Offering (APO) of the ordinary shares recently announced by PROVEN. SIJL's commitment under the Underwriting Agreement, which is subject to the APO receiving all regulatory approvals, is for up to US\$50M

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
CAC 9.50%	1.18	0.15	14.56%	VMIL	10.14	(3.04)	-23.07%
AFS	34.81	4.31	14.13%	DTL	2.00	(0.43)	-17.70%
KEX	10.88	1.27	13.22%	HONBUN	7.00	(1.50)	-17.65%

(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-	100.09	104.40	0.11%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	102.39	108.55	1.47%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	102.66	107.93	1.98%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	627.297	BB-	102.40	107.62	1.28%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	111.63	116.88	4.19%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	114.66	120.23	5.50%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	5.53	14.84	137.77%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	61.80	71.03	70.41%
Digicel Group Ltd 8.25% 09/30/2022	8.250%	937.149	C+	22.22	31.84	65.58%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	59.51	69.22	23.43%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	12.52	22.09	61.91%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	97.86	103.77	6.10%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	101.28	107.03	1.85%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BBB+	105.75	111.79	2.59%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	110.54	116.46	3.56%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	114.12	120.68	4.34%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	97.08	104.54	5.73%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	98.50	100.40	1.14%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	102.29	108.61	1.13%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	106.80	113.23	1.44%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B+	97.93	104.01	3.53%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	104.58	110.20	2.53%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324.630	B-	98.63	106.67	5.46%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	152.11	156.48	2.45%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BBB-	103.70	109.94	1.76%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	8.94	15.15	58.24%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	9.04	15.85	60.69%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	101.03	106.91	2.91%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	102.93	108.03	5.30%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	102.14	108.65	1.67%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	113.56	118.81	0.85%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	4.17	11.68	224.20%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.55	11.84	54.45%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	3.65	11.67	376.00%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	3.94	11.98	68.84%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	102.58	105.15	-0.23%
Scotiabank Peru S.A.A. 4.50% 12/13/2027	4.500%	400.000	BBB+	101.72	107.32	1.86%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	111.85	116.24	5.40%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	107.41	111.84	0.96%

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	3.48%
GOJ 2025	USD	85.23	9.250%	125.75	129.75	3.46%
GOJ 2028	USD	1421.45	6.750%	116.80	120.30	3.85%
GOJ 2036	USD	250	8.500%	135.25	139.50	4.92%
GOJ 2039	USD	1243.24	8.000%	136.00	139.25	4.83%
GOJ 2045	USD	1815	7.875%	134.50	138.25	5.16%
AIRJAM 2027	USD	89.2857	8.125%	107.25	112.25	4.54%
NROCC 2024	USD	294.18	9.375%	117.75	122.25	4.18%