

Week ending July 10, 2020

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with moderate liquidity conditions during the week.
- The BOJ auctioned its 30-day CD this week offering JA\$4.5 Billion to the market. The auction continues to be oversubscribed; the weighted average increased by 1 basis point to 0.57% from 0.56%.
- The market is expected to trade with fair liquidity conditions next week.

See closing repo rates below:

| Tenor | Current Rate % |
|-----------|----------------|
| Overnight | 0.35 – 0.50 |
| 30 days | 1.50 – 1.90 |
| 90 days | 2.25 – 2.50 |
| 180 days | 2.75 - 3.00 |
| 365 days | 3.25 – 3.50 |

US\$ FIXED INCOME

The US\$ Fixed income market continues to trade with fair liquidity conditions over the week. There continues to be broker demand for long-term repo funding in the market, while supply is mainly for short-term placements. See closing repo rates below:

| Tenor | Current Rate % |
|-----------|----------------|
| Overnight | 1.00 -1.25 |
| 30 days | 1.75-2.00 |
| 90 days | 2.25-2.50 |
| 180 days | 2.75-3.00 |
| 365 days | 3.25-3.50 |

JA\$ Treasury-Bill Weighted Average Yields

| Instrument | 90 Day Treasury Bill | 180 Day Treasury Bill | 270 Day Treasury Bill |
|----------------|----------------------|-----------------------|-----------------------|
| Last Auction | June 10, 2020 | June 10, 2020 | May 15, 2020 |
| Current Yield | 1.28% | 1.36% | 1.83% |
| Previous Yield | 1.78% | 1.53% | 1.73% |
| Net Change | -0.50% | -0.17% | 0.10% |

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ bond prices traded higher this week on stronger demand.
- The Latin American development bank CAF approved a \$100 million loan to help Barbados offset the economic impact of Covid-19.
- The Prime Minister of Trinidad and Tobago announced that General Elections will be held on Aug. 10
- Government of Suriname received consent waivers from 99.8% of its 2023 note holders.
- Fitch downgraded Trinidad Generation Unlimited to 'BB+' from 'BBB-'

(Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with moderate to high demand over the week amidst low supply.
- The Bank of Jamaica (BOJ) intervened in the market once during the week via (flash sale) B-FXITT offering to sell USD to authorized foreign exchange dealers for resale only to non-financial end users
- At the end of trading, Friday July 10, 2020, the Jamaican dollar was valued at \$144.05 against the US\$ which represents an approximately \$1.85 depreciation in the value of the JA\$ for the week.

| | Weighted Avg. Sell Rates | | | | | | Weekly Change (\$) |
|-----|--------------------------|----------|----------|----------|----------|-----------|--------------------|
| | 3-Jul-20 | 6-Jul-20 | 7-Jul-20 | 8-Jul-20 | 9-Jul-20 | 10-Jul-20 | |
| USD | 142.2022 | 141.364 | 143.4267 | 142.1861 | 143.9371 | 144.0538 | (1.8516) |
| CAD | 106.3245 | 106.3177 | 107.2915 | 107.8186 | 106.6656 | 107.7712 | (1.4467) |
| GBP | 179.5666 | 180.3217 | 179.9404 | 179.7019 | 183.5321 | 183.6598 | (4.0932) |
| EUR | 160.1338 | 160.2873 | 161.73 | 161.5196 | 162.5017 | 163.8507 | (3.7169) |

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 99 stocks of which 34 advanced, 56 declined and 9 traded firm.

The market volume amounted to 140,894,659 units valued at over J\$681,844,875.

The market volume leaders are Mailpac Group Limited with 40,432,758 units (28.70%) followed by TransJamaica Highway Limited with 22,380,447 units (15.88%) and Wigton Windfarm Limited with 17,979,032 units (12.76%).

US\$ market volume (excluding blocks) amounted to 1,772,664 units valued at over US\$121,348.87.

- The JSE Combined Index declined by 10,390.44 points (2.77%) to close at 365,273.89.
- The JSE Index declined by 11,206.64 points (2.96%) to close at 367,397.15.
- The JSE All Jamaican Composite Index declined by 12,396.51 points (2.99%) to close at 402,653.10.
- The JSE Select Index declined by 240.56 points (2.58%) to close at 9,086.84.
- The JSE Cross Listed Index advanced by 0.63 points (0.66%) to close at 96.18.
- The Junior Market Index declined by 7.11 points (0.28%) to close at 2,532.08.
- The JSE USD Equities Index advanced by 8.65 points (4.80%) to close at 188.84.
- The JSE Financial Index declined by 2.89 points (2.94%) to close at 95.42.
- The JSE Manufacturing & Distribution Index declined by 1.77 points (2.30%) to close at 75.11.

(Source: Jamaica Stock Exchange)

TRINIDAD

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

The market volume amounted to 1,246,996 units valued at over TT\$13,619,334.16.

The volume leaders are NCB Financial Group Limited with 446,060 units (35.77%) followed by National Flour Mills Limited with 255,997 units (20.53%) and Unilever Caribbean Limited with 207,097 units (16.61%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 0.76 points (0.06%) to close at 1,310.61.
- The All T&T Index declined by 3.05 points (0.17%) to close at 1,764.72.
- The Cross Listed Index advanced by 0.62 points (0.54%) to close at 115.74.
- The SME Index declined by 0.23 points (0.34%) to close at 67.24.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 1,650 shares. The two companies traded were Goddard Enterprises Limited with 1,500 (90.91%) shares and West India Biscuit Company Limited with 150 shares (9.10%).

The BSE Indices ending June 19, 2020.

| INDICES | TODAY'S TRADING | LAST TRADING | CHANGES | |
|------------|-----------------|--------------|---------|---------|
| | 10-Jul-20 | 3-Jul-20 | | |
| Local | 2,880.68 | 2,889.65 | -8.97 | -0.310% |
| Cross-list | 1,400.14 | 1,400.14 | - | - |
| Composite | 706.49 | 708.63 | -2.14 | -0.302% |

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- Barita Investments Limited (BIL) has advised that at its Annual General Meeting held on Monday, July 6, 2020, the following Ordinary Resolutions, No. 6 (i) and 6 (ii), relating to an Additional Public Offering of Shares as stated in the Notice of the Annual General Meeting and the Addendum to the Notice of Annual General Meeting, dated June 12, 2020, were passed. The former approves the issue of 200 million ordinary shares, with the option to upsize by 100 million units. The latter resolution authorizes the relevant officer to execute all necessary steps and documents to effect the issue of the new shares.
- Pan Jamaica Investment Trust (PJAM) has advised that its Board of Directors will convene a special meeting on Wednesday, July 15, 2020 to consider and make a recommendation to Shareholders to amend the Articles of Incorporation to include among other things the holding of General Meeting via electronic and/or other hybrid means. It is proposed that this will be presented at the Annual General Meeting to be scheduled for September 1, 2020.
- Indies Pharma (INDIES) has amended its dividend advisory to state that 14 cents per stock unit will be paid on July 30, 2020 to stockholders on record as at July 14, 2020. The ex-dividend date is July 13, 2020.
- Seprod Limited (SEP) has advised that Mr. Brian Wynter has been appointed to SEP's Audit Committee, effective June 15, 2020.

See below for top advancers and losers for the week:

| Advancers | | | | Decliners | | | |
|-----------|------------------|-------------|--------|------------------|------------------|-------------|---------|
| Symbol | Close Price (\$) | Change (\$) | % | Symbol | Close Price (\$) | Change (\$) | % |
| ISP | 15.98 | 3.98 | 33.17% | JMMBGL 7.25 Pref | 1.28 | (0.43) | -25.15% |
| INDIES | 2.96 | 0.63 | 27.04% | CFF | 10.50 | (3.22) | -23.47% |
| PJX | 9.00 | 1.65 | 22.45% | KEX | 6.57 | (1.40) | -17.57% |

(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- | 94.54 | 100.35 | 2.72% |
| Banco De Credito Del Peru 4.25% 04/01/2023 | 4.250% | 716.301 | BBB+ | 97.71 | 106.94 | 1.62% |
| Bancolombia SA 5.125% 09/11/2022 | 5.125% | 2.945 | NR | 96.05 | 105.34 | 2.56% |
| Centrais Eletricas Brasileiras 5.75% 10/27/2021 | 5.750% | 625.702 | BB- | 95.24 | 104.50 | 2.18% |
| Chicago Board of Education US\$ Bond 6.319% 11/01/2029 | 6.319% | 257.125 | BB- | 91.77 | 101.77 | 6.07% |
| Credito Real SAB De CV 9.50% 02/07/2026 | 9.500% | 400.000 | BB | 95.10 | 105.87 | 8.16% |
| Digicel Group Ltd 7.125% 04/01/2022 | 7.125% | 21.004 | NR | 1.99 | 9.94 | 227.92% |
| Digicel Group Ltd 8.25% 09/30/2020 | 8.250% | 62.851 | NR | 1.00 | 8.02 | 4267.33% |
| Digicel Group Two Ltd 8.25% 09/30/2022 | 8.250% | 27.166 | NR | 1.40 | 10.88 | 161.74% |
| Digicel Group Two Ltd 9.125% 04/01/2024 | 9.125% | 7.817 | NR | 0.87 | 7.02 | 130.02% |
| Genworth Holdings Inc 6.50% 06/15/2034 | 6.500% | 300.000 | B- | 73.12 | 84.72 | 8.38% |
| Govt. of Aruba 4.625% 09/14/2023 | 4.625% | 253.000 | BBB- | 93.77 | 102.83 | 3.26% |
| Govt. of Bahamas 5.75% 01/16/2024 | 5.750% | 300.000 | BB | 86.85 | 97.60 | 6.53% |
| Govt. of Bahamas 6.00% 11/21/2028 | 6.000% | 750.000 | BB | 84.06 | 95.07 | 6.87% |
| Govt. of Bahamas 6.95% 11/20/2029 | 6.950% | 300.000 | BB | 86.17 | 97.75 | 7.28% |
| Govt. of Barbados 6.50% 10/01/2029 | 6.500% | 530.595 | NR | 91.84 | 100.91 | 6.33% |
| Govt. of Barbados 6.50% 02/01/2021 | 6.500% | 32.482 | NR | 96.52 | 100.29 | 2.25% |
| Govt. of Bermuda 4.138% 01/03/2023 | 4.138% | 475.000 | A | 101.46 | 109.03 | 0.46% |
| Govt. of Bermuda 4.854% 02/06/2024 | 4.854% | 550.000 | A | 106.19 | 113.64 | 0.95% |
| Govt. of Costa Rica 4.375% 04/30/2025 | 4.375% | 300.000 | B | 86.29 | 96.53 | 5.20% |
| Govt. of Dominican Republic 5.875% 04/18/2024 | 5.875% | 1,000.000 | BB- | 100.83 | 109.04 | 2.46% |
| Govt. of Panama 9.375% 04/01/2029 | 9.375% | 951.425 | BBB | 149.20 | 158.10 | 2.06% |
| Govt. of Trinidad 4.375% 01/16/2024 | 4.375% | 550.000 | BB+ | 98.94 | 106.98 | 2.29% |
| Govt. of Venezuela 9.250% 05/07/2028 | 9.250% | 2,000.000 | DD+ | 2.11 | 10.73 | 74.89% |
| Govt. of Venezuela 9.25% 09/15/2027 | 9.250% | 4,000.000 | DD+ | 2.16 | 10.76 | 81.55% |
| Instituto Costa de Electricidad 6.95% 11/10/2021 | 6.950% | 500.000 | B | 94.45 | 104.79 | 3.21% |
| National Gas Company 6.05% 01/15/2036 | 6.050% | 400.000 | BB+ | 92.00 | 102.00 | 5.85% |
| Petrobras Global Finance 4.375% 05/20/2023 | 4.375% | 1,405.620 | BB- | 93.50 | 102.88 | 3.31% |
| Petrobras Global Finance 4.75% 01/14/2025 Euro Denom | 4.750% | 639.649 | BB- | 97.26 | 109.43 | 2.51% |
| Petroleos De Venezuela SA 12.75% 02/17/2022 | 12.750% | 3,000.000 | NR | 0.28 | 6.55 | 360.77% |
| Petroleos De Venezuela SA 5.375% 04/12/2027 | 5.375% | 3,000.000 | NR | 0.91 | 7.56 | 73.97% |
| Petroleos De Venezuela SA 9.00% 11/17/2021 | 9.000% | 2,394.240 | NR | 0.91 | 6.50 | 250.12% |
| Petroleos De Venezuela SA 9.75% 05/17/2035 | 9.750% | 3,000.000 | NR | 0.64 | 6.36 | 112.86% |
| Sagicor Finance Ltd 8.875% 08/11/2022 | 8.875% | 318.103 | BB- | 97.93 | 104.67 | 5.17% |
| Scotiabank Peru S.A. 4.50% 12/13/2027 | 4.500% | 400.000 | BBB | 96.14 | 105.79 | 2.03% |
| Translaimaica 5.75% 10/10/2036 | 5.750% | 225.000 | B+ | 93.86 | 102.33 | 4.70% |
| Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026 | 9.750% | 570.265 | BB- | 97.87 | 108.15 | 7.83% |
| Unicomer 7.875% 04/01/2024 | 7.875% | 350.000 | BB- | 84.70 | 96.68 | 18.39% |

GOJ Global Bond Indicative Prices

| BOND | CURRENCY | SIZE (M) | COUPON | BID | OFFER | Offer YTM |
|-------------|----------|----------|---------|--------|--------|-----------|
| GOJ 2022 | USD | 208.24 | 11.625% | 103.30 | 116.00 | 0.96% |
| GOJ 2025 | USD | 401.18 | 7.625% | 109.90 | 120.90 | 3.08% |
| GOJ 2025 | USD | 85.23 | 9.250% | 112.30 | 123.25 | 4.27% |
| GOJ 2028 | USD | 1421.45 | 6.750% | 110.10 | 121.60 | 3.55% |
| GOJ 2036 | USD | 250 | 8.500% | 124.60 | 135.55 | 5.16% |
| GOJ 2039 | USD | 1243.24 | 8.000% | 122.35 | 133.85 | 5.15% |
| GOJ 2045 | USD | 1815 | 7.875% | 121.45 | 132.95 | 5.45% |
| AIRJAM 2027 | USD | 83.3333 | 8.125% | 95.00 | 108.50 | 5.46% |
| NROCC 2024 | USD | 294.18 | 9.375% | 101.00 | 113.50 | 5.80% |