

Week ending June 12, 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\$3.5 Billion to the market. The auction continues to be oversubscribed; the weighted average fell by 3 bps to 0.62% from 0.65%.
- The GOJ auctioned the 90 and 180 day T-Bills this week, both tenors were oversubscribed. (see results below)
- 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	1.90 – 2.25
90 days	2.50 – 2.75
180 days	3.00 – 3.25
365 days	3.50 – 3.85

## US\$ FIXED INCOME

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

Tenor	Current Rate %
Overnight	1.00 -1.50
30 days	2.25-2.50
90 days	2.75-3.00
180 days	3.25-3.50
365 days	3.75-4.00

### 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 bonds continued trading on stronger demand this week; pushing prices higher across the curve.
- Costa Rica was downgraded to B from B+ by S&P. The outlook remains negative.
- Digicel announced an extension of consent solicitation for their Group Bonds, and the expiration date is June 19.
- The US Federal Reserve sees rates at near zero through to 2022 as it seeks to speed up the economy's recovery from the Coronavirus setbacks.
- The Republic of Honduras mandated Oppenheimer & Co. and Banco Atlantida to arrange a series of fixed-income investor calls. A benchmark-sized, USD 144 A / Reg S, senior unsecured bond may follow, subject to market conditions.

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with moderate demand over the week amidst improved supply.
- The Bank of Jamaica (BOJ) did not intervene in the market via B-FXITT this week.
- At the end of trading, Friday June 12, 2020, the Jamaican dollar was valued at \$140.72 against the US\$ which represents an approximately \$0.63 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	5-Jun-20	8-Jun-20	9-Jun-20	10-Jun-20	11-Jun-20	12-Jun-20	
USD	141.3528	141.3687	141.4705	140.9862	140.9733	140.7228	0.6300
CAD	106.3324	106.5276	106.4165	106.8441	105.4294	105.3164	1.0160
GBP	181.4723	180.5192	178.6901	180.3175	180.8011	179.5672	1.9051
EUR	162.3298	162.4359	161.0359	161.839	161.2756	163.2098	(0.8800)

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 94 stocks of which 40 advanced, 42 declined and 12 traded firm.

The Market volume amounted to 98,463,110 units valued at over J\$1,018,087,815.11.

The market volume leaders are Wigton Windfarm Limited with 20,530,978 units (20.85%) followed by Lumber Depot Limited with 12,150,640 units (12.34%) and TransJamaica Highway Limited with 9,110,788 units (9.25%).

US\$ market volume (excluding blocks) amounted to 5,338,504 units valued at over US\$1,395,170.73.

- The JSE Combined Index declined by 894.53 points (0.24%) to close at 376,931.05.
- The JSE Index declined by 1,721.01 points (0.45%) to close at 379,115.94.
- The JSE All Jamaican Composite Index declined by 1,928.77 points (0.46%) to close at 415,733.07.
- The JSE Select Index declined by 1.53 points (0.02%) to close at 9,458.36.
- The JSE Cross Listed Index advanced by 1.04 points (1.15%) to close at 91.15.
- The Junior Market Index advanced by 64.34 points (2.52%) to close at 2,613.41.
- The JSE USD Equities Index declined by 4.03 points (2.11%) to close at 186.77.
- The JSE Financial Index declined by 0.64 points (0.64%) to close at 98.96.
- The JSE Manufacturing & Distribution Index advanced by 0.04 points (0.05%) to close at 77.68.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The market activity resulted from trading 25 stocks of which 7 advanced, 8 declined and 10 traded firm.

The market volume amounted to 1,238,269 units valued at over TT\$20,796,336.51.

The volume leaders are National Flour Mills Limited with 592,444 units (47.84%) followed by Massy Holdings Limited with 200,375 units (16.18%) and JMMB Group Limited with 120,600 units (9.74%).

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

- The Composite Index declined by 1.34 points (0.10%) to close at 1,298.36.
- The All T&T Index declined by 0.46 points (0.03%) to close at 1,760.42.
- The Cross Listed Index declined by 0.30 points (0.27%) to close at 113.01.
- The SME Index traded firm to close at 67.47.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 10,185 shares. The three companies traded were Eppley Caribbean Property Fund SCC - Value Fund with 7,000 shares (68.73%), West India Biscuit Company Limited with 2,885 shares (28.33%) and FirstCaribbean International Bank with 300 shares (2.95%).

#### The BSE Indices ending June 5, 2020.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	12-Jun-20	5-Jun-20		% Change
Local	3,019.28	3,020.73	-1.45	-0.048%
Cross-list	1,400.14	1,400.14	-	-
Composite	739.52	739.86	-0.34	-0.046%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- CAC 2000 has advised that the Company has signed a settlement inclusive of an agreed payment schedule for the Supreme Court interest judgement (in favour of X-ray Diagnostics) and has initiated the first payment for the Jamaican dollar portion. The settlement will be covered by the existing accounting provision for interest, exclusive of the provision to cover legal fees (of which CAC has not yet been advised). Please visit [www.jamstockex.com](http://www.jamstockex.com) for further details.
- Barita Investments Limited has advised that a meeting of its Board of Directors will be held on Friday, June 12, 2020, at which the Directors will consider, and if thought fit, recommend a resolution for an Additional Public Offer (APO) of ordinary shares in the capital of the Company, to be tabled for approval at the upcoming Annual General Meeting of shareholders.
- FIRSTROCK has declared an interim dividend payment of US\$0.0013 per share payable on June 29, 2020 to all ordinary shareholders on record as at June 19, 2020. The ex-dividend date is June 18, 2020.
- Jamaica Producers has advised that Ms. Maya Johnston has been appointed Chief Commercial Officer of JP. Ms. Johnston (no relation to the Chairman of the JP Board) will be responsible for oversight of the Group's diverse commercial portfolio as JP seeks to achieve the next level of business growth.

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

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
<b>CFF</b>	<b>14.50</b>	<b>4.40</b>	<b>43.56%</b>	<b>SSLVC</b>	<b>0.79</b>	<b>(0.14)</b>	<b>-15.05%</b>
<b>INDIES</b>	<b>2.93</b>	<b>0.65</b>	<b>28.51%</b>	<b>PBS US\$</b>	<b>0.64</b>	<b>(0.11)</b>	<b>-14.67%</b>
<b>ICREATE</b>	<b>0.62</b>	<b>0.08</b>	<b>14.81%</b>	<b>138SL</b>	<b>6.02</b>	<b>(0.91)</b>	<b>-13.13%</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-	90.67	99.74	10.48%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	98.03	107.40	1.53%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	96.01	105.63	2.52%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	95.19	104.46	2.40%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	92.00	102.00	6.04%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB	97.01	107.79	7.76%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	1.99	9.56	222.02%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	1.68	13.97	1947.60%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	2.30	11.74	146.38%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CC	60.52	69.81	23.54%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	1.89	7.34	121.62%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B-	72.87	84.27	8.44%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB-	91.89	103.10	3.18%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	89.00	101.37	5.32%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	83.75	95.70	6.75%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	82.83	92.83	8.05%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	86.98	96.17	7.21%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	94.78	100.99	-6.82%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	100.86	108.45	0.78%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	105.60	113.41	1.09%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	83.12	93.69	5.88%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	99.70	108.11	2.87%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	144.06	153.13	2.58%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	100.48	109.09	1.75%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	1.74	10.50	73.39%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	2.00	10.68	78.78%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	93.13	104.01	3.98%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	91.33	103.76	5.68%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	94.12	103.54	3.10%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	96.96	109.39	2.55%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	0.83	6.74	322.74%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	0.91	7.56	71.75%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	0.91	6.50	229.95%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	1.09	6.88	100.64%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	96.88	104.28	10.19%
Scotiabank Peru S.A. 4.50% 12/13/2027	4.500%	400.000	BBB	96.52	106.19	1.94%
Transjamaica 5.75% 10/10/2036	5.750%	225.000	B+	93.29	101.75	4.77%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	90.18	100.46	9.75%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	92.68	102.82	8.99%

## GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	103.25	116.50	1.13%
GOJ 2025	USD	401.18	7.625%	106.75	117.75	3.75%
GOJ 2025	USD	85.23	9.250%	110.63	122.80	4.41%
GOJ 2028	USD	1421.45	6.750%	105.95	117.45	4.13%
GOJ 2036	USD	250	8.500%	115.15	126.65	5.88%
GOJ 2039	USD	1243.24	8.000%	116.00	127.50	5.61%
GOJ 2045	USD	1815	7.875%	114.25	125.75	5.90%
AIRJAM 2027	USD	89.2857	8.125%	95.00	108.50	5.51%
NROCC 2024	USD	294.18	9.375%	101.00	113.50	5.85%