

Week ending June 5, 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 Billion to the market. The auction continues to be oversubscribed; the weighted average fell by 1 bps to 0.65% from 0.66%.
- Next week, the market is expected to trade with high liquidity conditions.

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	May 15, 2020	May 15, 2020	May 15, 2020
Current Yield	1.78%	1.53%	1.83%
Previous Yield	1.08%	1.05%	1.73%
Net Change	0.70%	0.48%	0.10%
Next Auction	TBA	TBA	TBA

(Source: Bank of Jamaica)

## GLOBAL BOND MARKET

- GOJ bonds continued to experience active trading on relatively strong demand
- Prices across the GOJ curve moved higher with the longer end of the curve (2039 & 2045) leading the gains
- Costa Rica eyes renegotiating local government debt as the coronavirus pandemic triggers increased financial stress.
- Barbados is now able to access an additional US\$139M from the IMF under the Extended Fund Facility (EFF)
- The IMF Executive Board approved a US\$ 250 Million Disbursement to The Bahamas to Address the COVID-19 Pandemic.

(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 05, 2020, the Jamaican dollar was valued at \$141.35 against the US\$ which represents an approximately \$2.13 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	29-May-20	1-Jun-20	2-Jun-20	3-Jun-20	4-Jun-20	5-Jun-20	
USD	143.4874	143.0687	142.9706	142.5881	141.9765	141.3528	2.1346
CAD	104.9595	106.1768	106.4429	106.1348	105.7839	106.3324	(1.3729)
GBP	179.0809	177.0455	177.4556	181.2361	179.593	181.4723	(2.3914)
EUR	161.1241	161.5335	162.0502	161.4691	161.3126	162.3298	(1.2057)

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 97 stocks of which 43 advanced, 43 declined and 11 traded firm.

The Market volume amounted to 151,493,474 units valued at over J\$1,443,726,632.57.

The market volume leaders are Wigton Windfarm Limited with 25,699,062 units (16.96%) followed by TransJamaica Highway Limited with 18,905,529 units (12.48%) and QWI Investments Limited with 14,338,178 units (9.46%).

US\$ market volume (excluding blocks) amounted to 2,782,945 units valued at over US\$355,276.52.

- The JSE Combined Index declined by 3,488.01 points (0.91%) to close at 377,825.58.
- The JSE Index declined by 2,813.03 points (0.73%) to close at 380,836.95.
- The JSE All Jamaican Composite Index declined by 3,186.01 points (0.76%) to close at 417,661.84.
- The JSE Select Index declined by 142.56 points (1.48%) to close at 9,459.89.
- The JSE Cross Listed Index advanced by 2.94 points (3.37%) to close at 90.11.
- The Junior Market Index declined by 83.90 points (3.19%) to close at 2,549.07.
- The JSE USD Equities Index advanced by 0.51 points (0.27%) to close at 190.80.
- The JSE Financial Index declined by 1.20 points (1.19%) to close at 99.60.
- The JSE Manufacturing & Distribution Index declined by 0.20 points (0.26%) to close at 77.64.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 23 stocks of which 8 advanced, 6 declined and 9 traded firm.

The Market volume amounted to 1,312,961 units valued at over TT\$16,705,719.88.

The volume leaders are National Flour Mills Limited 384,564 units (29.29%) followed by JMMB Group Limited with 228,218 units (17.38%) and Guardian Holdings Limited with 194,739 units (14.83%).

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

- The Composite Index advanced by 10.52 points (0.82%) to close at 1,299.70.
- The All T&T Index advanced by 24.77 points (1.43%) to close at 1,760.88.
- The Cross Listed Index declined by 0.54 points (0.47%) to close at 113.31.
- The SME Index remained unchanged at 67.47.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 22,351 shares. The top three companies traded were Goddard Enterprises Limited with 20,600 shares (92.17%), FirstCaribbean International Bank with 751 shares (3.36%) and BICO Limited with 500 shares (2.23%).

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

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	5-Jun-20	29-May-20		% Change
Local	3,020.73	3,036.02	-15.29	-0.504%
Cross-list	1,400.14	1,400.14	-	-
Composite	739.86	743.5	-3.64	-0.490%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- KEY has advised that Corporate Services Manager, Ms. Treveen Little, has demitted office effective May 29, 2020. This departure stems from a recent review of the Company's organizational structure at all levels geared towards improving efficiency. KEY has also advised that, due to the production process taking longer than anticipated, there will be a delay in the filing of its 2019 Annual Report. KEY anticipates that the report will be filed by June 30, 2020.
- SVL has advised of the expansion of its gaming machine business in Jamaica with the conclusion of negotiations to widen its purview within the current contract arrangement with ICE Jamaica Limited. The revenue-sharing arrangement with ICE Jamaica, who for over ten years has provided VLT Route services offering Las Vegas style machines in licensed locations, has been discontinued. SVL has further advised of the purchase of gaming machines and other equipment located in Jamaica, Trinidad and Guyana from ICE Jamaica.
- NCBFG has advised of the engagement of Mr. Brian Wynter in the consultative capacity of Senior Advisor. In this consultancy role, Mr. Wynter is expected to assist top leadership in pivoting the Group's strategic direction towards becoming a world-class financial ecosystem as well as represent the Group in key forums and participate in activities expected to enhance certain stakeholder relationships across the Caribbean region.

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

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
PAL	1700.00	573.32	50.89%	WIG	0.78	(0.16)	-17.02%
SSLVC	0.93	0.18	24.00%	LASM	3.90	(0.60)	-13.33%
FIRSTROCK	15.40	2.41	18.55%	DTL	3.90	(0.30)	-7.14%

(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-	90.36	99.43	12.25%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	97.71	107.08	1.66%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	96.22	105.70	2.51%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	95.38	104.65	2.31%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	89.35	99.35	6.41%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB	94.06	104.84	8.40%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	1.99	9.56	219.52%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	1.68	13.09	1977.63%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	2.04	11.88	143.52%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CC	60.48	70.19	23.08%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	1.86	7.93	115.43%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B-	68.08	78.29	9.30%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB-	91.52	102.68	3.38%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	87.56	99.52	5.90%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	83.14	95.21	6.83%
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	85.97	95.73	7.29%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	93.99	99.81	8.79%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	100.71	108.38	0.83%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	105.36	112.80	1.26%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	80.09	90.67	6.64%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	98.47	106.83	3.34%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	143.55	152.62	2.64%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	99.19	107.07	2.32%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	1.89	10.75	71.52%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	1.68	10.53	78.83%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	91.04	102.37	5.19%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	89.12	101.73	5.88%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	94.72	104.14	2.90%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	97.44	109.65	2.50%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	1.02	7.21	303.33%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	0.91	7.56	71.22%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	0.91	6.50	225.40%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	0.84	7.13	96.74%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	97.24	104.71	5.06%
Scotiabank Peru S.A. 4.50% 12/13/2027	4.500%	400.000	BBB	96.07	105.74	2.14%
Transjamaica 5.75% 10/10/2036	5.750%	225.000	B+	92.07	100.52	4.91%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	88.59	98.87	10.13%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	86.73	96.88	16.84%

### GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	103.00	117.00	0.96%
GOJ 2025	USD	401.18	7.625%	104.30	115.30	4.25%
GOJ 2025	USD	85.23	9.250%	109.00	120.50	4.86%
GOJ 2028	USD	1421.45	6.750%	103.65	115.15	4.45%
GOJ 2036	USD	250	8.500%	111.00	122.50	6.23%
GOJ 2039	USD	1243.24	8.000%	112.30	123.80	5.89%
GOJ 2045	USD	1815	7.875%	110.00	121.50	6.18%
AIRJAM 2027	USD	89.2857	8.125%	95.00	108.50	5.35%
NROCC 2024	USD	294.18	9.375%	101.00	113.50	5.87%