

Week ending March 13, 2020

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low to moderate liquidity conditions during the week.
- There was increased demand for funds as the market positioned liquidity for any potential short term funding demands.
- The Bank of Jamaica auctioned its 30-day CD this week offering JA\$10 Billion to the market. The auction was oversubscribed; the weighted average yield increased by 43 bps compared to last week's result, moving from 2.35% to 2.78%.
- The Government also auctioned the 90 and 180 day Treasury Bills, with both auctions showing an increase in WATBY while being oversubscribed (see results below).

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.45 – 0.85
30 days	2.50 – 2.75
90 days	2.85 - 3.10
180 days	3.25 - 3.50
365 days	3.75 – 4.00

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	2.50-2.75
90 days	3.00-3.25
180 days	3.40-3.75
365 days	3.85-4.00

JA\$ Treasury-Bill Weighted Average Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	March 10, 2020	March 10, 2020	February 12, 2020
Current Yield	1.85%	1.80%	1.67%
Previous Yield	1.34%	1.39%	1.73%
Net Change	0.51%	0.41%	-0.06%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ bonds closed negative this week as global markets became more risk averse due to the coronavirus pandemic. The long end of the GOJ yield curve fell the most, with 2045s sinking by over 17 points. GOJ 2028s fell by 8 points over the week.
- The Bahamas's long-term foreign currency debt rating was affirmed by S&P at BB+, one level below investment grade. The outlook was changed to negative from stable.
- The US Fed announced a bold new initiative Thursday in an effort to calm market tumult. In all, the new moves pump in up to US\$1.5 trillion into the financial system in an effort to combat potential freezes brought on by the coronavirus.
- In a surprise move, the Bank of Canada announced an additional 50bps cut in the overnight rate, following the 50bps cut announced last week, reducing the level to just 75bps.
- U.S. stocks jumped the most since 2008 to cap a wild week of trading as President Donald Trump joined world leaders in pledging to do whatever it takes to protect the economy from the coronavirus fallout.

(Source: Bloomberg, Barclays)

FX MARKET

- The foreign exchange market traded moderate to high demand over the week amidst moderate supply.
- The Bank of Jamaica (BOJ) did not intervene in the market via B-FXITT this week.
- At the end of trading, Friday March 13, 2020, the Jamaican dollar was valued at \$136.21 against the US\$ which represents an approximately \$0.67 depreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	6-Mar-20	9-Mar-20	10-Mar-20	11-Mar-20	12-Mar-20	13-Mar-20	
USD	135.5384	135.0523	135.4225	135.71	136.2728	136.2121	(0.6737)
CAD	101.5203	99.9906	99.6161	98.4767	98.6783	100.2568	1.2635
GBP	175.6087	177.5459	176.7118	176.3254	173.476	171.7288	3.8799
EUR	153.6963	154.741	154.7564	153.9012	154.6036	152.9006	0.7957

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 93 stocks of which 15 advanced, 76 declined and 2 traded firm.

The Market volume amounted to 203,698,890 units valued at over J\$1,101,039,063.00.

The market volume leaders are Wigton Windfarm Limited with 109,430,260 units (53.72%) followed by Sagicor Select Fund Limited –Financial with 12,706,591 units (6.24%) and Mailpac Group Limited with 12,701,243 units (6.24%).

US\$ market volume (excluding blocks) amounted to 453,148 units valued at over US\$102,178.02.

- The JSE Combined Index declined by 16,886.77 points (3.98%) to close at 407,894.58.
- The JSE Index declined by 15,790.75 points (3.65%) to close at 416,262.28.
- The JSE All Jamaican Composite Index declined by 17,369.44 points (3.66%) to close at 456,961.96.
- The JSE Select Index declined by 396.15 points (3.57%) to close at 10,703.29.
- The JSE Cross Listed Index declined by 2.79 points (3.22%) to close at 83.98.
- The Junior Market Index declined by 216.60 points (8.55%) to close at 2,317.91.
- The JSE USD Equities Index declined by 0.94 points (0.44%) to close at 210.85.
- The JSE Financial Index declined by 3.84 points (3.25%) to close at 114.27.
- The JSE Manufacturing & Distribution Index declined by 3.75 points (4.73%) to close at 75.60.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 24 stocks of which 5 advanced, 13 declined and 6 traded firm.

The Market volume amounted to 2,596,510 units valued at over TT\$56,673,579.10.

The volume leaders are Clico Investments Fund was the volume leader with 790,584 units (30.45%) followed by NCB Financial Group Limited with 714,342 units (27.51%) and JMMB Group Limited with 413,789 units (15.94%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index declined by 17.11 points (1.14%) to close at 1,484.02.
- The All T&T Index declined by 16.47 points (0.86%) to close at 1,898.89.
- The Cross Listed Index declined by 2.40 points (1.63%) to close at 144.83.
- The SME Index remained unchanged at 67.69.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 78,964 shares. The top three companies traded were Eppley Caribbean Property Fund SCC – Development Fund with 27,442 (34.75%), Goddard Enterprises Limited with 23,967 (30.35%) and FirstCaribbean International Bank with 12,000 (15.20%).

The following reflect the movement of the BSE Indices: -

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES
	13-Mar-20	6-Mar-20	
Local	3,186.26	3,227.95	-41.69
Cross-list	1,400.14	1,400.14	-
Composite	779.33	789.26	-9.93

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- Today being the ex-date for the stock split of Pulse Investments Ltd., March 13, 2020, the stock price was adjusted from its close price of J\$7.65 on March 12, 2020 to an opening price of J\$2.25 on March 13, 2020. The volume of shares outstanding was also increased to 4,892,214,132 units.
- PROVEN Management Limited, investment managers of PROVEN Investments Limited, advises on behalf of PROVEN that the Board of PROVEN has taken the decision to **suspend** its Additional Public Offering (APO) of PROVEN shares with effect from Friday, March 13, 2020.
- Sagicor Group Jamaica Limited (SJ) has advised of a delay in the submission of the audited financial statements of the Company for the year ended December 2019. SJ has further advised that this delay is due to the complexity in the accounting treatment of certain investment transactions which arose in the fourth quarter of 2019. The Company anticipates that the audited financials will be filed by Monday, March 16, 2020.
- PanJam Investments has also advised of a further delay in the submission of the audited financial statements of the Company for the year ended December 31, 2019. Given that the results of Sagicor Group Jamaica Limited (Sagicor Group) are material to the completion of the PJAM 2019 financials, PJAM anticipates that the audited financials of the Company will be published shortly after the release of Sagicor Group 2019 Financials.

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
FIRSTROCKUSD	0.10	0.02	25.00%	MTL (US\$)	0.20	(0.09)	-31.03%
1834 INV.	1.10	0.12	12.24%	XFUND	6.57	(2.94)	-30.91%
SGJ	49.27	4.16	9.22%	SELECTF	0.71	(0.29)	-29.00%

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-	97.72	103.29	0.35%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	100.60	108.10	1.51%
Bancolombia SA 5.125% 09/11/2022	5.125%	2.945	NR	98.80	105.22	2.93%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	97.31	103.78	3.32%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	112.49	120.24	3.79%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	105.83	113.14	6.76%
Digicel Group Ltd 7.125% 04/01/2024	7.125%	21.004	C+	4.37	16.68	135.31%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	62.64	75.01	71.88%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	13.92	25.54	82.47%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	54.81	66.73	25.69%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	6.15	17.73	73.86%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	93.59	101.58	6.33%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	98.53	106.23	2.05%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	98.83	108.03	3.49%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	110.41	118.38	3.27%
Govt. of Bahamas 6.95% 11/26/2029	6.950%	300.000	BB+	109.99	118.17	4.00%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	101.58	109.74	4.89%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	97.35	101.87	-17.53%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	101.58	109.67	0.65%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	350.000	A	105.54	114.06	1.15%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	85.62	95.74	5.34%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	97.00	104.34	4.35%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324.630	B-	86.92	97.80	106.32%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	147.91	153.91	2.04%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	350.000	BBB-	98.31	106.41	2.61%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	9.14	19.03	51.00%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	9.19	19.03	47.54%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	95.24	102.89	5.09%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	101.05	109.25	5.19%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	92.03	100.28	4.28%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	99.47	106.74	3.22%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	4.44	13.37	280.16%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	3.84	13.46	51.88%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	4.39	13.42	417.46%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	4.57	13.45	65.94%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	100.47	105.20	0.81%
Scotiabank Peru S.A.A. 4.50% 12/13/2027	4.500%	400.000	BBB+	99.37	106.44	2.07%
Transjamaica 5.75% 10/10/2036	5.750%	225.000	B+	96.44	102.94	5.41%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.263	BB-	106.17	113.10	6.58%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	104.54	110.59	1.36%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2025	USD	401.18	7.625%	113.00	118.00	3.85%
GOJ 2025	USD	85.23	9.250%	121.00	126.50	3.93%
GOJ 2028	USD	1421.45	6.750%	107.00	116.00	4.39%
GOJ 2036	USD	250	8.500%	120.00	127.00	5.87%
GOJ 2039	USD	1243.238	8.000%	119.00	127.00	5.66%
GOJ 2045	USD	1815	7.875%	118.00	126.00	5.89%
AIRJAM 2027	USD	89.2857	8.125%	104.00	111.00	4.46%
NROCC 2024	USD	294.18	9.375%	114.00	123.00	3.92%