

Week ending March 20, 2020

## JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low to moderate liquidity conditions during the week.
- The Bank of Jamaica auctioned its 30-day CD this week offering JA\$8 Billion to the market. The auction was undersubscribed; the weighted average yield increased by 53 bps compared to last week's result, moving from 2.78% to 3.51%
- The market is expected to trade with moderate liquidity conditions for the upcoming week.

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 to high 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 11, 2020	March 11, 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 Global bonds traded negative this week as prices fell as much as 23 points on the long end of the yield curve (GOJ 2045s) and 14 points on the middle of the curve (GOJ 2028s). This performance came as a result of increased market disturbance due to the Covid 19 pandemic.
- The US Federal Reserve established temporary dollar liquidity-swap lines with nine additional central banks, expanding the rapid roll-out of financial-crisis-era programs to combat the economic meltdown from the coronavirus pandemic.
- U.S. Treasury Secretary Stephen Mnuchin said the money market industry is "critical to Americans". The U.S. Federal Reserve on Wednesday night rolled out its third emergency credit program in two days, announcing it would make loans to banks that offer as collateral assets purchased from money-market mutual funds.
- U.S. stocks dropped to cap the worst week for equities since the global financial crisis amid dire warnings about the economic effects of the coronavirus pandemic and as governments stepped up efforts to keep people at home.

(Source: Bloomberg, Reuters)

## FX MARKET

- The foreign exchange market traded with 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 20, 2020, the Jamaican dollar was valued at \$136.50 against the US\$ which represents an approximately \$0.29 depreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	13-Mar-20	16-Mar-20	17-Mar-20	18-Mar-20	19-Mar-20	20-Mar-20	
USD	136.2121	136.6837	136.649	136.5402	136.1437	136.5076	(0.2955)
CAD	100.2568	99.0968	97.4831	95.4187	95.9992	94.6908	5.5660
GBP	171.7288	168.3786	164.9468	164.351	160.5964	161.3651	10.3637
EUR	152.9006	151.7103	153.1321	150.5519	149.0097	146.9208	5.9798

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 94 stocks of which 15 advanced, 71 declined and 8 traded firm.

The Market volume amounted to 204,774,426 units valued at over J\$1,882,685,784.93.

The market volume leaders are Wigton Windfarm Limited with 50,325,905 units (24.58%) followed by Derrimon Trading Co. Limited with 29,228,028 units (14.27%) and Elite Diagnostic Limited with 15,390,333 units (7.52%) .

US\$ market volume (excluding blocks) amounted to 396,826 units valued at over US\$92,865.07.

- The JSE Combined Index declined by 46,709.07 points (11.45%) to close at 361,185.51.
- The JSE Index declined by 48,707.67 points (11.70%) to close at 367,554.61.
- The JSE All Jamaican Composite Index declined by 53,811.86 points (11.78%) to close at 403,150.10.
- The JSE Select Index declined by 1,250.89 points (11.69%) to close at 9,452.40.
- The JSE Cross Listed Index advanced by 0.05 points (0.06%) to close at 84.03.
- The Junior Market Index declined by 178.44 points (7.70%) to close at 2,139.47.
- The JSE USD Equities Index declined by 5.97 points (2.83%) to close at 204.88.
- The JSE Financial Index declined by 11.66 points (10.20%) to close at 102.61.
- The JSE Manufacturing & Distribution Index declined by 11.85 points (15.67%) to close at 63.75.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 24 stocks of which 2 advanced, 22 declined and none traded firm.

The Market volume amounted to 4,523,939 units valued at over TT\$132,341,730.44.

The volume leaders are Agostini's Limited was the volume leader with 1,549,974 units (34.26%) followed by JMMB Group Limited with 805,848 units (17.81%) and First Citizens Bank Limited with 577,890 units (12.77%).

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

- The Composite Index declined by 74.33 points (5.01%) to close at 1,409.69.
- The All T&T Index declined by 62.21 points (3.28%) to close at 1,836.68.
- The Cross Listed Index declined by 11.80 points (8.15%) to close at 133.03.
- The SME Index remain unchanged at 67.69.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 261,070 shares. The top three companies traded were Goddard Enterprises Limited with 216,662 (82.99%), Eppley Caribbean Property Fund SCC – Development Fund with 35,793 (13.71%) and Cave Shepherd & Company Limited with 5,000 (1.92%).

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

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	20-Mar-20	13-Mar-20		% Change
Local	3,185.00	3,186.26	-1.26	-126.000%
Cross-list	1,400.14	1,400.14	-	0.000%
Composite	779.03	779.33	-0.3	-0.038%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- NCBFG has advised that its Trinidad and Tobago domiciled subsidiary, NCB Global Finance Limited (NCBGF), successfully closed a TTD1,500,000,000 Fixed Rate Bond for the Government of the Republic of Trinidad & Tobago (GORTT). The Bond matures in 20 years and carries a coupon rate of 5.74% per annum.
- QWI and Jamaica Teas Ltd have advised that their Annual General Meeting of the Companies, scheduled to be held on Friday, March 20, 2020, have been postponed in light of COVID-19 and in accordance with the pronouncements from Prime Minister Holness on March 16, 2020. The meeting will be rescheduled for a date and time best suited for large gatherings.
- Main Event Entertainment Group Limited (MEEG) has advised that due to the impact of COVID-19, the Company's Annual General Meeting scheduled for Tuesday, March 24, 2020, will be postponed until further notice.
- The Jamaica Stock Exchange (JSE) wishes to advise all investors and the public that the JSE's operating hours will remain unchanged. Normal services will continue to be provided Monday to Friday, from 8:30 a.m. – 4:30 p.m. Market Opening and trading hours will continue Monday to Friday from 9:30 a.m. to 1:00 p.m. However, the JSE is asking the public to use electronic means to keep in touch with the Exchange.

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

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
<b>BPOW</b>	<b>3.70</b>	<b>0.70</b>	<b>23.33%</b>	<b>138SL</b>	<b>4.05</b>	<b>(2.52)</b>	<b>-38.36%</b>
<b>MTL US\$</b>	<b>0.24</b>	<b>0.04</b>	<b>20.00%</b>	<b>SELECTMD</b>	<b>0.53</b>	<b>(0.28)</b>	<b>-34.57%</b>
<b>XFUND</b>	<b>7.27</b>	<b>0.70</b>	<b>10.65%</b>	<b>ISP</b>	<b>14.00</b>	<b>(5.75)</b>	<b>-29.11%</b>

(Source: Jamaica Stock Exchange)

## Non-GOJ Global Bond Indicative Prices

Bond	Coupon	Size (US\$M)	Bloomberg Composite Rating	Buyback Price	Sale Price	Indicative Yield
Banco BMG SA 8.875% 08/05/2020	8.875%	169.630	B-	93.73	99.30	10.76%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	91.16	98.59	4.76%
Bancolombia SA 5.125% 09/11/2022	5.125%	2.945	NR	90.28	96.77	6.57%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	90.93	97.44	7.48%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	102.30	110.05	4.99%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB+	78.39	85.72	13.05%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	3.95	16.52	137.97%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	62.90	75.26	74.16%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	13.27	24.89	84.93%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	51.59	63.51	28.10%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	6.28	17.86	73.88%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	75.31	82.92	8.60%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	95.65	104.10	2.89%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	93.05	102.02	5.16%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	110.48	118.75	3.21%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	89.15	99.15	7.07%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	101.08	109.74	4.88%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	97.68	102.09	-22.46%
Govt. of Bermuda 4.138% 01/09/2023	4.138%	475.000	A	101.86	109.87	0.55%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	106.99	115.37	0.81%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	75.89	85.01	8.01%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	85.43	93.01	8.53%
Govt. of Ecuador 10.50% 03/24/2020	10.500%	324.630	CCC+	93.39	99.27	261.21%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	131.17	139.42	4.10%
Govt. of Trinidad 4.375% 01/11/2021	4.375%	550.000	BBB-	86.85	95.72	5.64%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	6.11	19.74	49.95%
Govt. of Venezuela 9.250% 05/07/2027	9.250%	4,000.000	DD+	11.82	19.62	46.85%
Instituto Costeño de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	90.52	100.95	6.32%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	91.82	109.90	5.13%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	86.69	94.99	6.14%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	91.54	99.55	4.85%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	2.75	13.00	295.89%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.11	12.69	54.35%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	2.87	12.66	464.74%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	2.90	12.99	68.90%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	97.28	104.12	12.66%
Scotiabank Peru S.A.A 4.50% 11/23/2027	4.500%	400.000	BBB+	88.79	96.65	5.85%
Transjamaica 5.75% 10/10/2036	5.750%	225.000	B+	87.37	93.87	6.65%
Trinidad Petroleum Holdings Ltd 9.75% 06/15/2026	9.750%	570.265	BB-	90.68	97.63	10.40%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	96.99	103.07	8.44%

## GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	105.00	121.00	0.09%
GOJ 2025	USD	401.18	7.625%	80.00	107.50	5.95%
GOJ 2025	USD	85.23	9.250%	96.00	126.00	4.00%
GOJ 2028	USD	1421.45	6.750%	79.00	105.00	5.96%
GOJ 2036	USD	250	8.500%	68.00	102.00	8.27%
GOJ 2039	USD	1243.238	8.000%	73.00	104.00	7.60%
GOJ 2045	USD	1815	7.875%	72.00	105.00	7.43%
AIRJAM 2027	USD	89.2857	8.125%	91.00	108.00	4.46%
NROCC 2024	USD	294.18	9.375%	107.00	121.00	4.33%