

Week ending March 27, 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\$4.5 Billion to the market. The auction was oversubscribed; the weighted average yield decreased by 106 bps compared to last week's result, moving from 3.51% to 2.45%
- 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 the current health crises.

See closing repo rates below:

Tenor	Current Rate %
Overnight	1.00 -1.50
30 days	2.75-3.00
90 days	3.25-3.50
180 days	3.75-4.00
365 days	4.10-4.25

## 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 experienced some recovery this week as prices gained 10 points on the long end of the yield curve (GOJ 2045s) and 7 points on the middle of the curve (GOJ 2028s). This performance reflects the market's overall "risk on" sentiment as World Governments implement stimulus packages to cushion the impact of Covid-19.
- The U.S. House approved the largest stimulus package in U.S. history Friday as part of the response to the economic crisis caused by the coronavirus pandemic. The House passed the US\$2 trillion package by voice vote Friday.
- Trinidad & Tobago's long-term foreign currency debt rating was downgraded by S&P to BBB-, the lowest investment grade score, from BBB.
- Digicel Group Limited today announced that it has been engaged in discussions with certain debtholders regarding potential transactions involving exchanges of existing debt of entities in the Digicel Group for new securities to be issued by existing and newly formed entities in the Digicel Group.

(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 27, 2020, the Jamaican dollar was valued at \$135.47 against the US\$ which represents an approximately \$1.03 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates							Weekly Change (\$)
	20-Mar-20	23-Mar-20	24-Mar-20	25-Mar-20	26-Mar-20	27-Mar-20		
USD	136.5076	136.2317	136.9711	135.6474	135.9194	135.4738	1.0338	
CAD	94.6908	95.0429	94.0763	94.4351	96.4127	98.2714	(3.5806)	
GBP	161.3651	157.4387	159.888	162.3033	163.9546	165.3796	(4.0145)	
EUR	146.9208	143.4187	149.9138	150.1942	147.9059	149.3268	(2.4060)	

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 96 stocks of which 39 advanced, 54 declined and 3 traded firm.

The Market volume amounted to 548,823,247 units valued at over J\$1,959,277,709.72.

The market volume leaders are Pulse Investments Limited with 245,335,492 units (44.70%) followed by TransJamaican Highway Limited with 190,664,425 units (34.74%) and Wigton Windfarm Limited with 50,945,836 units (9.28%).

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

- The JSE Combined Index declined by 7,177.63 points (1.99%) to close at 354,007.88.
- The JSE Index declined by 7,871.65 points (2.14%) to close at 359,682.96.
- The JSE All Jamaican Composite Index declined by 8,692.60 points (2.16%) to close at 394,457.50.
- The JSE Select Index declined by 233.05 points (2.47%) to close at 9,219.35.
- The JSE Cross Listed Index declined by 0.05 points (0.06%) to close at 83.98.
- The Junior Market Index advanced by 4.61 points (0.22%) to close at 2,144.08.
- The JSE USD Equities Index declined by 7.35 points (3.59%) to close at 197.53.
- The JSE Financial Index declined by 3.89 points (3.79%) to close at 98.72.
- The JSE Manufacturing & Distribution Index advanced by 2.72 points (4.27%) to close at 66.47.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 22 stocks of which 1 advanced and 21 declined.

The Market volume amounted to 2,612,760 units valued at over TT\$33,673,003.28.

The volume leaders are JMMB Group Limited with 1,718,513 units (65.77%) followed by Trinidad and Tobago NGL Limited with 245,035 units (9.38%) and Clico Investments Fund with 226,895 units (8.68%).

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

- The Composite Index declined by 80.70 points (5.73%) to close at 1,328.99.
- The All T&T Index declined by 87.61 points (4.77%) to close at 1,749.07.
- The Cross Listed Index declined by 10.04 points (7.55%) to close at 122.99.
- 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 133,176 shares. The top three companies traded were Goddard Enterprises Limited with 117,792 (88.45%), Eppley Caribbean Property Fund SCC – Development Fund with 10,143 (7.62%) and Cave Shepherd & Company Limited with 4,545 (3.41%).

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

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	27-Mar-20	20-Mar-20		% Change
Local	3,158.12	3,185.00	-26.88	-0.844%
Cross-list	1,400.14	1,400.14	-	
Composite	772.62	779.03	-6.41	-0.823%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

### In other JSE news:

- GraceKennedy was successful in its bid for the majority shares in Key Insurance Company Limited (KEY). The offer closed on March 2 following the publication and review of the Offer Circular and recommendation to shareholders. GK now owns 65% of KEY.
- Supreme Ventures Limited has advised that Mrs. Ann-Dawn Young Sang has resigned her position as President & CEO of the Company effective March 20, 2020. SVL has further advised that Mr. Gary Peart has been appointed Executive Chairman of the Company, effective March 23, 2020.
- FIRSTROCK has advised that the Company has entered into an agreement to acquire majority ownership of Dolla Financial Services Limited from Stocks and Securities Limited.
- Salada Foods has advised that the Board of Directors at its electronic Board meeting held on Thursday, March 19, 2020 at 20 Bell Road, Kingston 11 decided to postpone the consideration of a stock split at this time until further notice.
- INDIES has advised that Indies Pharma Business Park, a subsidiary of the Company, has acquired a parcel of land situated at Lot 1 Montego Park Estates Ironshore, St. James.

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

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
IROC	3.45	1.15	50.00%	SIL US\$	0.02	(0.01)	-33.33%
138SL	5.41	1.36	33.58%	CPJ	2.40	(0.84)	-25.93%
LASD	3.00	0.62	26.05%	ELITE	2.71	(0.82)	-23.23%

(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-	94.00	99.57	10.03%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	95.33	102.78	3.27%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	94.51	101.46	4.49%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	95.25	101.75	4.58%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	95.00	102.75	5.94%
Credito Real SAB de CV 9.50% 02/07/2026	9.500%	400.000	BB	74.66	82.01	14.11%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	3.61	16.52	139.35%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	62.79	75.26	76.71%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	13.27	24.89	85.50%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CCC	37.81	49.73	40.05%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	6.28	17.86	74.18%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	79.06	86.78	8.08%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB	95.42	104.52	2.71%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BBB	90.07	98.27	6.27%
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+	87.98	98.52	7.16%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	85.56	95.57	7.30%
Govt. of Barbados 6.50% 01/01/2021	6.500%	32.482	NR	96.01	100.27	2.64%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	101.99	110.07	0.46%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	107.19	115.24	0.82%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	78.73	89.03	6.98%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	94.88	104.03	4.44%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	138.14	144.78	3.53%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	89.38	100.03	4.37%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	5.98	17.50	55.31%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	4.28	16.56	52.97%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B+	90.38	97.97	8.32%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BBB-	90.70	107.83	5.31%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	90.78	99.21	4.65%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	89.92	97.39	5.38%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	2.57	12.99	303.44%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	1.62	12.19	56.19%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	1.83	11.71	522.18%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	2.03	12.79	70.56%
Sgicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	96.67	102.79	29.68%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB+	93.02	100.94	4.13%
Transjamaica 5.75% 10/01/2036	5.750%	225.000	B+	92.03	98.53	5.99%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	89.32	96.27	10.72%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	96.18	102.31	9.24%

### GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	102.00	118.00	1.47%
GOJ 2025	USD	401.18	7.625%	95.50	113.50	4.71%
GOJ 2025	USD	85.23	9.250%	99.00	118.00	5.45%
GOJ 2028	USD	1421.45	6.750%	95.00	112.00	4.93%
GOJ 2036	USD	250	8.500%	90.00	110.00	7.42%
GOJ 2039	USD	1243.238	8.000%	96.50	115.50	6.56%
GOJ 2045	USD	1815	7.875%	96.00	115.00	6.64%
AIRJAM 2027	USD	89.2857	8.125%	95.00	111.00	4.46%
NROCC 2024	USD	294.18	9.375%	98.00	116.00	5.41%