

Week ending May 29, 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 5 bps to 0.66% from 0.71%.
- 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 increased liquidity over the week. The Bank of Jamaica provided US\$136.6M to market participants under a special 6 month repurchase agreement last week; which satisfied most broker demand. 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 traded relatively active this week on improved demand.
- Prices moved up across the GOJ curve with activity concentrated on the longer dated bonds (2039 & 2045).
- The US/China tensions are dampening markets on fears an escalation could further thwart global economic performance.
- The US Fed continues to demonstrate its support to the markets as it continues on its bond buyback programs.
- The Government of Bahamas sees Fiscal gap at 12% of GDP due to Virus recovery and potential Hurricane threat.

(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 May 29, 2020, the Jamaican dollar was valued at \$143.48 against the US\$ which represents an approximately \$1.82 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						
	22-May-20	25-May-20	26-May-20	27-May-20	28-May-20	29-May-20	Weekly Change (\$)
USD	145.3156	Holiday	145.1073	144.6093	144.0905	143.4874	1.8282
CAD	104.3836	Holiday	105.8185	106.2124	105.897	104.9595	(0.5759)
GBP	175.3054	Holiday	176.163	178.4984	178.847	179.0809	(3.7755)
EUR	159.8992	Holiday	158.7568	160.143	163.4007	161.1241	(1.2249)

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 96 stocks of which 44 advanced, 38 declined and 14 traded firm.

The Market volume amounted to 192,115,497 units valued at over J\$730,795,495.90.

The market volume leaders are Wigton Windfarm Limited with 101,753,862 units (52.96%) followed by TransJamaica Highway Limited with 39,059,710 units (20.33%) and Lasco manufacturing Limited with 7,338,898 units (3.82%).

US\$ market volume (excluding blocks) amounted to 751,115 units valued at over US\$66,250.34.

- The JSE Combined Index advanced by 6,709.36 points (1.79%) to close at 381,313.59.
- The JSE Index advanced by 6,285.44 points (1.67%) to close at 383,649.98.
- The JSE All Jamaican Composite Index advanced by 6,817.71 points (1.65%) to close at 420,847.85.
- The JSE Select Index advanced by 185.95 points (1.97%) to close at 9,602.45.
- The JSE Cross Listed Index advanced by 4.69 points (5.69%) to close at 87.17.
- The Junior Market Index advanced by 86.28 points (3.39%) to close at 2,632.97.
- The JSE USD Equities Index declined by 0.10 points (0.05%) to close at 190.29.
- The JSE Financial Index advanced by 1.73 points (1.75%) to close at 100.80.
- The JSE Manufacturing & Distribution Index advanced by 0.33 points (0.43%) to close at 77.84.

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 22 stocks of which 12 advanced, 4 declined and 6 traded firm.

The Market volume amounted to 2,725,240 units valued at over TT\$12,157,577.44.

The volume leaders are National Flour Mills Limited 807,525 units (66.33%) followed by MPC Caribbean Clean Energy Limited with 930,760 units (34.15%) and JMMB Group Limited with 287,674 units (10.56%).

The following reflect the movement of the TTSE Indices: -

- The Composite Index advanced by 6.09 points (0.48%) to close at 1,289.18.
- The All T&T Index advanced by 8.07 points (0.47%) to close at 1,736.11.
- The Cross Listed Index advanced by 0.56 points (0.49%) to close at 113.85.
- 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 14,391 shares. The three companies traded were Goddard Enterprises Limited with 9,412 shares (65.40%), Eppley Caribbean Property Fund SCC – Value Fund with 3,762 shares (26.14%) and West India Biscuit Company Limited with 850 shares (5.91%).

The BSE Indices ending May 15, 2020.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	
	29-May-20	22-May-20		% Change
Local	3,036.02	3,104.54	-68.52	-2.207%
Cross-list	1,400.14	1,400.14	-	-
Composite	743.5	759.83	-16.33	-2.149%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

In other JSE news:

- NCB Financial Group Limited is pleased to announce the appointment of Mrs. Anne McMorris-Cover to Head of Enterprise Operations of National Commercial Bank Jamaica Limited (“NCBJ”), its major Jamaican banking subsidiary, effective June 1, 2020.
- 1834 Investments Limited has advised of the passing of its Chairman, Hon. Oliver F. Clarke O.J. on Saturday, May 16, 2020. Effective immediately Vice-Chairman Joseph M. Matalon, C.D. will assume the responsibility of Chairman, until the Board elects a successor.
- Wigton Windfarm Limited (WIG) has advised that the Board of Directors of the Company will be convening a meeting on June 2, 2020 to consider the payment of a dividend to stockholders. WIG has advised that due to the negative impact of the COVID-19 pandemic, there will be a delay in the submission of its audited financial statements for the year ended March 31, 2020. The Company anticipates that its audited financials will be submitted on or before July 15, 2020.
- Jamaica Broilers Group Limited (JBG) has advised that Mr. John Carberry demitted office as General Manager of Best Dressed Chicken Processing Facilities and Energy, effective May 15, 2020.
- tTech Limited (TTECH) has advised of the appointment of Mr. Justin Morin as an Independent Non-Executive Director, effective May 25, 2020.

See below for top advancers and losers for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
JMMBGL 7.25%C	1.79	0.59	49.17%	138SL PREFERENCE	5.00	(1.00)	-16.67%
WIG	0.94	0.28	42.42%	ISP	13.00	(2.24)	-14.70%
ECL	4.39	0.96	27.99%	KPREIT	5.33	(0.89)	-14.31%

(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-	89.48	98.54	16.96%
Banco De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	97.63	106.87	1.75%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	95.97	105.35	2.68%
Centrais Electricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	94.65	103.92	2.87%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	88.90	98.90	6.48%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB	92.31	103.11	8.79%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	C+	2.94	11.08	198.20%
Digicel Group Ltd 8.25% 09/30/2020	8.250%	62.851	C+	1.68	13.05	1890.16%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	937.149	C+	2.93	10.03	156.57%
Digicel Group One Ltd 8.25% 12/30/2022	8.250%	1,000.000	CC	57.97	67.89	24.44%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	993.016	NR	1.08	7.67	116.41%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B-	65.08	75.30	9.77%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB-	91.23	101.75	3.81%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB+	79.81	91.81	8.42%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB+	79.67	89.68	7.86%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB+	79.00	87.88	8.87%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	83.64	93.27	7.76%
Govt. of Barbados 6.50% 02/01/2021	6.500%	32.482	NR	91.05	99.57	12.19%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	475.000	A	100.54	108.22	0.91%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	550.000	A	103.83	112.53	1.35%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	76.89	87.56	7.44%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	1,000.000	BB-	95.40	105.81	3.72%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	142.21	151.10	2.80%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	95.35	104.65	3.01%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	2.07	11.28	68.56%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	2.20	11.28	74.26%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	89.30	100.64	6.47%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	86.35	99.70	6.08%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	1,405.620	BB-	93.44	102.85	3.36%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	639.649	BB-	95.97	108.33	2.80%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	0.65	7.32	294.19%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	0.91	7.56	70.71%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	0.91	6.50	221.01%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	1.10	7.58	91.21%
Sagcor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB-	94.98	104.10	12.53%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB	96.49	106.16	1.99%
Transiamaica 5.75% 10/10/2036	5.750%	225.000	B+	89.40	97.74	5.23%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	83.60	95.88	10.83%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	86.68	96.82	16.70%

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	1.07%
GOJ 2025	USD	401.18	7.625%	102.40	113.40	4.65%
GOJ 2025	USD	85.23	9.250%	107.80	119.50	5.06%
GOJ 2028	USD	1421.45	6.750%	100.45	111.95	4.91%
GOJ 2036	USD	250	8.500%	108.80	119.35	6.52%
GOJ 2039	USD	1243.24	8.000%	108.25	119.75	6.20%
GOJ 2045	USD	1815	7.875%	106.00	117.50	6.46%
AIRJAM 2027	USD	89.2857	8.125%	95.00	108.50	5.36%
NROCC 2024	USD	294.18	9.375%	101.00	113.50	5.88%