

Week-ending August 13, 2021

## JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with moderate liquidity conditions during the week.
- The BOJ auctioned its weekly 30 day CD offering \$10.5 Billion to the market. The issue was heavily over-subscribed with the weighted average being 0.71% which was a 10 basis point increase over last week's auction.
- The market is expected to trade with moderate liquidity next week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.5 – 1.00
30 days	2.25 – 2.50
90 days	2.50 – 2.75
180 days	2.85 - 3.00
365 days	3.25 – 3.50

## US\$ FIXED INCOME

The US\$ Fixed income market continues to trade with fair liquidity conditions over the week. Demand for long term funding remains relatively strong while the supply of short-term funds is readily available from brokers. Liquidity is expected to remain stable in the near term.

Tenor	Current Rate %
Overnight	1.00 -1.25
30 days	2.00-2.25
90 days	2.50-2.75
180 days	3.00-3.25
365 days	3.50-3.75

### JA\$ Treasury-Bill Weighted Average Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	August 13, 2021	August 13, 2021	August 13, 2021
Current Yield	0.88%	1.20%	1.31%
Previous Yield	0.94%	1.18%	1.32%
Net Change	-0.06%	0.02%	-0.01%

(Source: Bank of Jamaica)

## GLOBAL BOND MARKET

- GOJ long dated global bonds closed the week relatively unchanged in prices on moderate trading activities.
- The call maturity of the US\$187.9M Sagicor Finance 8.875% 2022 on August 11 has resulted in improved trading activities on the Sagicor Financial Corp 5.3% 2028 bonds
- Mexican non-bank financial company, Creditor Real affirmed that it is in talks to sell a portion of its SME portfolio. The aim is to sell about US\$100M to be used to buy back bonds.
- Suriname President Santokhi expects a final IMF Board agreement by the end of this month according to public statements made yesterday. The IMF reached the initial Staff-Level agreement on April 29, 2021 but the Board agreement has been pending
- The IMF sees Antigua and Barbuda's economy shrinking 1% in 2021 on the impacts of the pandemic.
- Costa Rica's government plans to issue a maximum of \$2.2b in local debt during the second half of the year to cover its financing needs.

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with moderate demand over the week amidst low to moderate supply.
- There was no intervention from the Bank of Jamaica (BOJ) during the week.
- At the end of trading, Friday August 13 2021, the Jamaican dollar was valued at \$155.50 against the US\$ which represents an approximately \$0.03 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						
	6-Aug-21	9-Aug-21	10-Aug-21	11-Aug-21	12-Aug-21	13-Aug-21	Weekly Change (\$)
USD	155.5395	155.2708	155.6516	155.7858	155.2107	155.5035	0.0360
CAD	124.6170	124.5567	124.3721	124.4237	124.8331	124.8784	(0.2614)
GBP	217.2254	214.6162	214.5558	214.5536	215.9171	215.2641	1.9613
EUR	187.4535	185.3426	185.1816	185.0324	182.3313	184.9437	2.5098

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Market activity resulted from trading in 110 stocks of which 43 advanced, 58 declined and 9 traded firm.

The Market volume amounted to 88,033,155 units valued at over J\$453,111,983.57.

The market volume leaders are FESCO Limited with 15,234,433 units (17.31%), followed by Radio Jamaica Limited with 13,686,718 units (15.55%) and Wigton Windfarm Limited with 3,102,821,116 units (11.68%).

The US\$ market volume (excluding blocks) amounted to 2,954,721 units valued at over US\$81,585.01.

#### The following reflect the movement of the JSE Indices:

- The JSE Combined Index declined by 4,882.18 points (1.15%) to close at 418,639.76.
- The JSE Index declined by 5,003.55 points (1.19%) to close at 416,728.75.
- The JSE All Jamaican Composite Index declined by 4,614.36 points (1.00%) to close at 456,518.25.
- The JSE Select Index declined by 79.52 points (0.76%) to close at 10,376.59.
- The JSE Cross Listed Index declined by 2.82 points (3.12%) to close at 87.43.
- The Junior Market Index declined by 24.74 points (0.75%) to close at 3,269.43.
- The JSE USD Equities Index advanced by 4.67 points (2.54%) to close at 188.58.
- The JSE Financial Index declined by 1.01 points (0.98%) to close at 102.50.
- The JSE Manufacturing & Distribution Index declined by 0.94 points (0.88%) to close at 105.29.

(Source: Jamaica Stock Exchange)

### TRINIDAD

The Market activity resulted from trading 25 securities of which 9 advanced, 9 declined and 7 traded firm.

The Market volume amounted to 1,814,315 shares crossing the floor of the Exchange valued at TT\$24.494 million.

The volume leaders are NCB Financial Group Limited with 538,594 shares (29.69%), followed by National Flour Mills Limited with 274,142 shares (15.11%) and Unilever Caribbean Limited with 175,899 shares (9.69%).

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

- The COMPOSITE Index declined by 3.24 points (0.23%) to close at 1,424.25.
- The ALL T&T Index declined by 10.30 points (0.53%) to close at 1,934.73.
- The CROSS-LISTED Index advanced by 0.60 points (0.49%) to close at 123.05.
- The SME Index traded firm to close at 38.31.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 125,071 shares. The three companies traded were FirstCaribbean International Bank with 97,183 (77.70%), Eppley Caribbean Property Fund SCC – Value Fund with 20,160 (16.12%) and Goddard Enterprises Limited with 7,728 shares (6.18%).

#### The BSE Indices ending August 13, 2021.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	13-Aug-21	6-Aug-21		
Local	2,442.53	2,438.84	3.69	0.151%
Cross-list	1,140.86	1,140.86	-	-
Composite	598.27	597.4	0.87	0.146%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

- NCBFG has advised that the Company will be issuing a Jamaican Dollar three-year senior unsecured corporate bond with a coupon of 6.0%, to raise up to J\$15,000,000,000.00 (Fifteen Billion Jamaican Dollars) with the ability to upsize to J\$22,000,000,000.00 (Twenty-two Billion Jamaican Dollars). This offer, arranged by NCB Capital Markets Limited, opens on August 13, 2021 and is expected to close on September 2, 2021.
- CCC has advised that the Company has reached a decision to embark on an expansion project during the second half of 2022 to increase its production capacity by thirty percent (30%). CCC currently produces and supplies over One Million Metric Tonnes (1,000,000 MT) of cement to the local market annually. The planned capacity upgrade is expected to increase CCC's production by Three Hundred Thousand Metric Tonnes (300,000 MT). This planned capacity upgrade also involves the implementation of state-of-the-art technologies which will introduce novel grinding additives to the manufacturing process to reduce the clinker content in the cement produced by CCC. In addition, this upgrade is intended to minimize CCC's carbon footprint in Jamaica by optimisation of the heat consumption involved in the cement production process. The total investment for this capacity upgrade is estimated at Thirty Million United States Dollars (US\$30,000,000.00). This project is consistent with the Company's overall growth plan and is intended to strengthen CCC's ability to respond to local and export demand over the medium term.

### Top Advancers and Decliners for the week.

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
SOS	7.43	1.42	23.63%	PURITY	1.61	(0.34)	-17.44%
KLE	1.23	0.16	14.95%	QWI	0.81	(0.12)	-12.90%
FIRSTROCK US\$	0.08	0.01	14.29%	SALF	7.14	(0.71)	-9.04%

(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 De Credito Del Peru 4.25% 04/01/2023	4.250%	716.301	BBB+	101.09	104.32	1.54%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	100.16	103.91	1.42%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	98.68	100.91	1.06%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	114.50	120.50	3.43%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB-	90.92	98.68	9.87%
Digicel Group 0.5 Ltd 10.0% 04/01/2024	10.000%	1,037.727	CCC-	94.40	102.31	9.33%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	415.176	CC	82.96	90.60	11.44%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	NR	2.45	5.49	1737.67%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	27.166	NR	1.78	7.98	464.16%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	1.50	7.00	179.64%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	CCC+	97.85	106.55	5.77%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BB+	101.22	104.47	0.46%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB-	97.96	104.54	3.76%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB-	94.62	102.27	5.56%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB-	100.66	106.64	5.92%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	BB-	107.46	112.47	7.30%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	98.27	104.03	5.68%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	353.905	A	102.59	105.66	0.03%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	462.203	A	107.65	111.18	0.30%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	100.26	106.06	2.65%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	611.492	BB-	102.61	106.84	1.69%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066.000	BB-	100.10	105.37	4.26%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200.000	BB-	97.87	102.58	5.71%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB-	144.99	149.27	2.29%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	103.77	108.18	0.94%
Govt. of Trinidad 4.5% 06/26/2030	4.500%	500.000	BB+	103.21	108.90	3.33%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	6.53	14.97	68.56%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	DD+	6.51	14.89	71.75%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	98.81	101.24	1.54%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	102.64	108.32	5.22%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	916.321	BB-	103.38	106.66	0.56%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	446.148	BB-	109.02	113.77	0.65%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	2.43	7.94	2478.12%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.36	7.76	86.23%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	2.61	7.97	3691.22%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	2.49	7.93	100.37%
Sagicor Financial Co. 5.30% 05/13/2028	5.300%	400.000	BB	103.34	106.63	3.66%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB	98.24	102.99	2.19%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	104.47	109.46	7.11%
Trinidad Generation Unlimited 5.25% 11/04/2027	5.250%	600.000	BB	99.52	105.00	4.12%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	108.96	114.03	1.77%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	102.25	104.76	-3.28%

## GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer Yield
GOJ 2022	USD	208.239	11.625%	102.00	104.75	0.067%
GOJ 2025	USD	401.176	7.625%	112.25	118.25	1.183%
GOJ 2025	USD	85.225	9.250%	118.45	123.20	3.25%
GOJ 2028	USD	1421.447	6.750%	114.70	119.95	2.92%
GOJ 2036	USD	250.000	8.500%	136.05	142.10	4.52%
GOJ 2039	USD	1243.238	8.000%	137.65	144.15	4.26%
GOJ 2045	USD	1815.000	7.875%	137.60	143.85	4.78%
AIRIAM 2027	USD	71.429	8.125%	102.50	110.00	4.53%
NROCC 2024	USD	294.180	9.375%	114.40	119.35	2.04%