

Week ending June 11, 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 \$5 Billion to the market. The issue was heavily over-subscribed with the weighted average being 0.58%.
- The GOJ auctioned their 90 and 180 day T-bill. See result below.
- The market is expected to trade with moderate liquidity conditions next week.

See closing repo rates below:

| Tenor | Current Rate % |
|-----------|----------------|
| Overnight | 0.5 – 1.00 |
| 30 days | 1.60 – 2.15 |
| 90 days | 2.25 – 2.50 |
| 180 days | 2.75 - 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 | 1.75-2.00 |
| 90 days | 2.25-2.50 |
| 180 days | 2.75-3.00 |
| 365 days | 3.25-3.50 |

JA\$ Treasury-Bill Weighted Average Yields

| Instrument | 90 Day Treasury Bill | 180 Day Treasury Bill | 270 Day Treasury Bill |
|----------------|----------------------|-----------------------|-----------------------|
| Last Auction | June 9, 2021 | June 9, 2021 | May 12, 2021 |
| Current Yield | 1.05% | 1.27% | 1.32% |
| Previous Yield | 0.94% | 1.37% | 2.47% |
| Net Change | 0.11% | -0.11% | -1.15% |

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ bonds traded with mixed results this week as shorter dated bonds weakened marginally while the long end bond prices inched upwards
- Domrep, Bahamas and Trinidad sovereign bonds especially longer dated maturities, all reflected mostly upward movement in prices over the week as the appetite for risk appeared to increased.
- The Dominican Republic's Ministry of Finance said it bought back 11 local bonds worth 92.4b pesos, or about US\$1.6b, allowing the government to reduce debt servicing costs by \$1.3b from 2022-2027
- The strongest Treasuries rally in a year is encouraging investors to pile back into riskier assets as they grow more confident the Federal Reserve is right to call a surge in consumer prices transitory.
- El Salvador's adoption of Bitcoin as legal tender may imply a series of risks and regulatory challenges, International Monetary Fund spokesman Gerry Rice said Thursday.

(Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with moderate to high demand over the week amidst low to moderate supply.
- The Bank of Jamaica (BOJ) intervened in the market once during the week via (flash sale) B-FXITT offering to sell USD to authorized foreign exchange dealers for resale only to non-financial end users
- At the end of trading, Friday June 11 2021, the Jamaican dollar was valued at \$150.54 against the US\$ which represents an approximately \$0.83 depreciation in the value of the JA\$ for the week.

| | Weighted Avg. Sell Rates | | | | | | | Weekly Change (\$) |
|-----|--------------------------|----------|----------|----------|-----------|-----------|----------|--------------------|
| | 4-Jun-21 | 7-Jun-21 | 8-Jun-21 | 9-Jun-21 | 10-Jun-21 | 11-Jun-21 | | |
| USD | 149.7145 | 149.6242 | 150.4824 | 149.7236 | 150.1664 | 150.5470 | (0.8325) | |
| CAD | 124.7312 | 125.7102 | 125.7637 | 125.1194 | 125.5702 | 125.3633 | (0.6321) | |
| GBP | 213.2292 | 211.967 | 212.6946 | 212.955 | 213.5407 | 212.7151 | 0.5141 | |
| EUR | 184.2226 | 184.0926 | 184.8233 | 185.545 | 185.3063 | 185.4339 | (1.2113) | |

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Weekly market activity resulted from trading in 110 stocks of which 52 advanced, 49 declined and 9 traded firm.

Market volume amounted to 96,385,908 units valued at over J\$1,456,785,730.51.

The market volume leaders are Mailpac Group Limited with 18,555,180 units (19.25%), followed by Wigton Windfarm Limited with 13,145,025 units (13.64%) and TransJamaica Highway Limited with 5,045,240 units (5.23%).

The US\$ market volume (excluding blocks) amounted to 2,757,708 units valued at over US\$199,305.86.

The following reflect the movement of the JSE Indices:

- The JSE Combined Index advanced by 1,873.36 points (0.44%) to close at 428,195.85.
- The JSE Index advanced by 2,152.38 points (0.51%) to close at 426,420.61.
- The JSE All Jamaican Composite Index advanced by 2,877.50 points (0.63%) to close at 459,273.23.
- The JSE Select Index advanced by 74.05 points (0.72%) to close at 10,312.58.
- The JSE Cross Listed Index declined by 0.60 points (0.57%) to close at 105.54.
- The Junior Market Index declined by 11.18 points (0.33%) to close at 3,327.84.
- The JSE USD Equities Index advanced by 0.44 points (0.22%) to close at 200.95.
- The JSE Financial Index declined by 0.18 points (0.17%) to close at 105.65.
- The JSE Manufacturing & Distribution Index advanced by 1.44 points (1.39%) to close at 104.92.

(Source: Jamaica Stock Exchange)

TRINIDAD

Weekly market activity resulted from trading 26 securities of which 15 advanced, 7 declined and 4 traded firm.

Market volume amounted to 3,068,614 shares crossing the floor of the Exchange valued at TT\$71.498 million.

The volume leaders are Guardian Holdings Limited with 712,808 shares (23.23%), followed JMMB Group Limited with 632,894 shares (20.62%) and NCB Financial Group with 403,909 shares (13.16%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index declined by 0.76 points (0.05%) to close at 1,388.12.
- The ALL T&T Index advanced by 6.90 points (0.37%) to close at 1,887.97.
- The CROSS-LISTED Index declined by 1.25 points (1.03%) to close at 119.57.
- The SME Index declined by 0.20 points (0.46%) to close at 43.12

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 91,175 shares. The three companies traded were Goddard Enterprises Limited with 70,431 (77.25%), Eppley Caribbean Property Fund SCC – Value Fund with 20,634 (22.63%) and FirstCaribbean International Bank with 110 (0.12%).

The BSE Indices ending June 11, 2021.

| INDICES | TODAY'S TRADING | LAST TRADING | CHANGES | % Change |
|------------|-----------------|--------------|---------|----------|
| | 11-Jun-21 | 4-Jun-21 | | |
| Local | 2,438.94 | 2,438.79 | 0.15 | 0.006% |
| Cross-list | 1,140.86 | 1,140.86 | - | |
| Composite | 597.45 | 597.42 | 0.03 | 0.005% |

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- Blue Power Limited (BPOW) has advised that a claim was filed by DCP Successors Limited against four agencies of the Government of Jamaica and BPOW on June 8, 2021 in the Supreme Court of Jamaica. For further details, visit www.jamstockex.com
- Palace Amusement Limited (PAL) has advised that, given the relaxation of Government restrictions on public gatherings, the Company has decided to re-open the New Kingdon Drive-in effective Monday, June 7, 2021. As previously advised, CARIB 5, Palace Cineplex, Palace Multiplex and Sunshine Palace remain closed.
- NCBFG has advised that on June 8, 2021, NCB Merchant Bank (Trinidad and Tobago) Limited, the wealth management subsidiary of NCBFG domiciled in Trinidad and Tobago, gained membership to the Trinidad and Tobago Stock Exchange, resulting in that entity becoming one of seven stockbrokers in Trinidad and Tobago.
- PROVEN Investments Limited (PROVEN) has advised that it has acquired 50.5% interest in Roberts Manufacturing Co. Limited ("Roberts") from Massy Properties (Barbados) Ltd. The acquisition represents for PROVEN a demonstrable success in delivering on one of its value levers for topline revenue growth and expand its business in the Real Sector.
- Scotia Group Jamaica (SGJ) has declared an interim dividend of 35 cents (\$0.35) per share payable on July 21, 2021 to shareholders on record as at June 29, 2021. The ex-dividend date is June 28, 2021.

Top Advancers and Decliners for the week.

| Advancers | | | | Decliners | | | |
|-------------|------------------|-------------|--------|--------------|------------------|-------------|---------|
| Symbol | Close Price (\$) | Change (\$) | % | Symbol | Close Price (\$) | Change (\$) | % |
| JETCON | 1.71 | 0.62 | 56.88% | 138SLVR | 6.00 | (1.90) | -24.05% |
| KPREIT | 11.75 | 3.32 | 39.38% | CBNY | 0.36 | (0.05) | -12.20% |
| MPCCEL US\$ | 1.15 | 0.22 | 23.66% | JMMBGL 7.15% | 2.90 | (0.35) | -10.77% |

(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+ | 99.71 | 104.99 | 1.43% |
| Bancolumbia SA 5.125% 09/11/2022 | 5.125% | 2.945 | NR | 98.89 | 104.86 | 1.16% |
| Centrais Eletricas Brasileiras 5.75% 10/27/2021 | 5.750% | 625.702 | BB- | 98.34 | 101.67 | 1.17% |
| Chicago Board of Education US\$ Bond 6.319% 11/01/2029 | 6.319% | 257.125 | BB- | 111.92 | 118.92 | 3.67% |
| Credito Real SAB De CV 9.50% 02/07/2026 | 9.500% | 400.000 | BB | 88.74 | 96.91 | 10.35% |
| Digicel Group 0.5 Ltd 10.0% 04/01/2024 | 10.000% | 1,037.727 | CCC- | 93.56 | 101.47 | 9.56% |
| Digicel Group 0.5 Ltd 8.00% 04/01/2025 | 8.000% | 415.176 | CC | 80.44 | 88.07 | 11.99% |
| Digicel Group Ltd 7.125% 04/01/2022 | 7.125% | 21.004 | NR | 2.50 | 5.42 | 1044.58% |
| Digicel Group Two Ltd 8.25% 09/30/2022 | 8.250% | 27.166 | NR | 1.79 | 7.98 | 378.11% |
| Digicel Group Two Ltd 9.125% 04/01/2024 | 9.125% | 7.817 | NR | 1.56 | 7.07 | 159.39% |
| Genworth Holdings Inc 6.50% 06/15/2034 | 6.500% | 300.000 | CCC+ | 95.43 | 103.84 | 6.07% |
| Govt. of Aruba 4.625% 09/14/2023 | 4.625% | 253.000 | BB+ | 101.45 | 105.93 | -0.11% |
| Govt. of Bahamas 5.75% 01/16/2024 | 5.750% | 300.000 | BB- | 99.76 | 106.34 | 3.18% |
| Govt. of Bahamas 6.00% 11/21/2028 | 6.000% | 750.000 | BB- | 99.35 | 105.99 | 4.90% |
| Govt. of Bahamas 6.95% 11/20/2029 | 6.950% | 300.000 | BB- | 102.68 | 108.64 | 5.65% |
| Govt. of Bahamas 8.95% 10/15/2032 | 8.950% | 825.000 | BB- | 109.89 | 116.64 | 6.82% |
| Govt. of Barbados 6.50% 10/01/2029 | 6.500% | 530.595 | NR | 97.96 | 104.69 | 5.57% |
| Govt. of Bermuda 4.138% 01/03/2023 | 4.138% | 353.905 | A | 102.96 | 106.36 | 0.03% |
| Govt. of Bermuda 4.854% 02/06/2024 | 4.854% | 402.203 | A | 106.68 | 112.30 | 0.18% |
| Govt. of Costa Rica 4.375% 04/30/2025 | 4.375% | 500.000 | B | 101.09 | 107.53 | 2.33% |
| Govt. of Dominican Republic 5.875% 04/18/2024 | 5.875% | 611.492 | BB- | 103.83 | 108.09 | 1.40% |
| Govt. of Dominican Republic 4.875% 09/23/2032 | 4.875% | 3,066.000 | BB- | 101.90 | 107.37 | 4.05% |
| Govt. of Dominican Republic 5.875% 01/30/2060 | 5.875% | 3,200.000 | BB- | 97.93 | 102.87 | 5.69% |
| Govt. of Panama 9.375% 04/01/2029 | 9.375% | 951.425 | BBB- | 144.82 | 151.41 | 2.17% |
| Govt. of Trinidad 4.375% 01/16/2024 | 4.375% | 550.000 | BB+ | 103.18 | 108.82 | 0.92% |
| Govt. of Trinidad 4.5% 06/26/2030 | 4.500% | 500.000 | BB+ | 102.16 | 107.38 | 3.54% |
| Govt. of Venezuela 9.250% 05/07/2028 | 9.250% | 2,000.000 | DD+ | 6.36 | 15.04 | 67.93% |
| Govt. of Venezuela 9.25% 09/15/2027 | 9.250% | 4,000.000 | DD+ | 6.09 | 14.70 | 71.99% |
| Instituto Costa de Electricidad 6.95% 11/10/2021 | 6.950% | 500.000 | B | 97.71 | 102.15 | 1.58% |
| National Gas Company 6.05% 01/15/2036 | 6.050% | 400.000 | BB+ | 102.25 | 108.25 | 5.23% |
| Petrobras Global Finance 4.375% 05/20/2023 | 4.375% | 931.670 | BB- | 103.03 | 106.80 | 0.82% |
| Petrobras Global Finance 4.75% 01/14/2025 Euro Denom | 4.750% | 446.148 | BB- | 108.84 | 114.17 | 0.73% |
| Petroleos De Venezuela SA 12.75% 02/17/2022 | 12.750% | 3,000.000 | NR | 2.36 | 7.82 | 1193.89% |
| Petroleos De Venezuela SA 5.375% 04/12/2027 | 5.375% | 3,000.000 | NR | 2.34 | 7.83 | 84.30% |
| Petroleos De Venezuela SA 9.00% 11/17/2021 | 9.000% | 2,394.240 | NR | 2.29 | 7.72 | 2831.86% |
| Petroleos De Venezuela SA 9.75% 05/17/2035 | 9.750% | 3,000.000 | NR | 2.34 | 7.84 | 90.73% |
| Sagcor Finance Ltd 8.875% 08/11/2022 | 8.875% | 187.939 | BB | 99.88 | 101.56 | -1.13% |
| Sagcor Financial Co. 5.30% 05/13/2028 | 5.300% | 400.000 | BB | 102.11 | 104.71 | 4.23% |
| Scotiabank Peru S.A. 4.50% 12/13/2027 | 4.500% | 400.000 | BBB | 97.09 | 101.86 | 3.21% |
| Telecom Services TT 8.875% 10/18/2029 | 8.875% | 300.000 | B | 102.81 | 108.58 | 7.30% |
| Trinidad Generation Unlimited 5.25% 11/04/2027 | 5.250% | 600.000 | BB+ | 99.74 | 106.23 | 3.90% |
| Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026 | 9.750% | 570.265 | BB- | 109.17 | 114.25 | 2.75% |
| Unicomer 7.875% 04/01/2024 | 7.875% | 350.000 | BB- | 101.56 | 104.58 | -0.59% |

GOJ Global Bond Indicative Prices

| BOND | CURRENCY | SIZE (M) | COUPON | BID | OFFER | Offer Yield |
|-------------|----------|----------|---------|--------|--------|-------------|
| GOJ 2022 | USD | 208.239 | 11.625% | 102.50 | 106.70 | 0.131% |
| GOJ 2025 | USD | 401.176 | 7.625% | 113.60 | 119.60 | 1.100% |
| GOJ 2025 | USD | 85.225 | 9.250% | 120.60 | 126.65 | 2.70% |
| GOJ 2028 | USD | 1421.447 | 6.750% | 115.70 | 120.95 | 2.84% |
| GOJ 2036 | USD | 250.000 | 8.500% | 137.35 | 143.75 | 4.42% |
| GOJ 2039 | USD | 1243.238 | 8.000% | 139.20 | 145.70 | 4.18% |
| GOJ 2045 | USD | 1815.000 | 7.875% | 138.25 | 144.50 | 4.75% |
| AIRIAM 2027 | USD | 77.381 | 8.125% | 102.50 | 110.00 | 4.70% |
| NROCC 2024 | USD | 294.180 | 9.375% | 114.30 | 119.90 | 2.25% |