

Week ending January 8, 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\$10.5 Billion to the market. The auction continues to be oversubscribed; the weighted average increased from 0.53% to 0.63%.
- The market is expected to trade with high liquidity conditions next week, due to BOJ USD indexed note maturity.

See closing repo rates below:

Tenor	Current Rate %
Overnight	0.35 – 0.50
30 days	1.50 – 1.90
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. There continues to be broker demand for long-term repo funding in the market, while supply is mainly for short-term placements. See closing repo rates below:

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	December 11, 2020	December 11, 2020	November 11, 2020
Current Yield	0.77%	0.86%	1.04%
Previous Yield	0.78%	0.94%	1.65%
Net Change	-0.01%	-0.08%	-0.61%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- GOJ bonds closed the week mostly lower this week amidst moderate trading activities
- Dominican Republic bonds were mostly lower this week with the long end bonds reflecting the larger decline in prices
- Costa Rica's government will begin negotiations with the IMF for an Extended Fund Facility on January 11
- As President elect Biden prepares to take office in just a matter of days, the results of the November election continues to anger Trump supporters who stormed the US capitol earlier this week with lawmakers inside
- Prices on some Puerto Rico bonds have rebounded to pre-pandemic levels amid expectations that negotiations between bondholders and the island's financial oversight board will accelerate with a looming court-imposed deadline next month to reduce \$18 billion of debt

(Source: Bloomberg)

FX MARKET

- The foreign exchange market traded with moderate to high demand over the week amidst low supply.
- The Bank of Jamaica (BOJ) intervened in the market twice 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 January 08, 2021, the Jamaican dollar was valued at \$143.54 against the US\$ which represents an approximately \$0.89 depreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						
	31-Dec-20	4-Jan-21	5-Jan-21	6-Jan-21	7-Jan-21	8-Jan-21	Weekly Change (\$)
USD	142.6493	142.6786	142.9817	143.4535	143.2029	143.5478	(0.8985)
CAD	111.4117	110.9288	112.1636	114.1924	113.8825	112.9152	(1.5035)
GBP	193.6657	193.1731	195.0525	194.8379	195.871	195.3598	(1.6941)
EUR	176.8258	176.5634	176.0406	176.363	178.4753	178.7139	(1.8881)

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Market activity resulted from trading in 100 stocks of which 46 advanced, 40 declined and 14 traded.

The Market volume amounted to 97,423,186 units valued at over J\$266,396,687.22.

The market volume leaders are QWI Investments Limited with 34,917,703 units (35.84%), followed by Trans Jamaica Highway Limited with 15,033,577 units (15.43%) and Derrimon Trading Co. Limited with 8,650,008 units (8.88%).

US\$ market volume (excluding blocks) amounted to 1,205,373 units valued at over US\$73,947.89.

The following reflect the movement of the JSE Indices:

- The JSE Combined Index declined by 1,390.05 points (0.35%) to close at 391,045.87.
- The JSE Index declined by 1,533.69 points (0.39%) to close at 394,081.24.
- The JSE All Jamaican Composite Index declined by 1,473.24 points (0.34%) to close at 432,047.85.
- The JSE Select Index declined by 76.34 points (0.78%) to close at 9,666.45.
- The JSE Cross Listed Index declined by 7.83 points (7.83%) to close at 92.12.
- The Junior Market Index advanced by 2.07 points (0.08%) to close at 2,645.45.
- The JSE USD Equities Index advanced by 7.31 points (3.92%) to close at 193.61.
- The JSE Financial Index advanced by 0.28 points (0.27%) to close at 102.37.
- The JSE Manufacturing & Distribution Index declined by 1.09 points (1.32%) to close at 81.74

(Source: Jamaica Stock Exchange)

TRINIDAD

The Market activity resulted from trading 24 securities of which 9 advanced, 11 declined and 4 traded firm.

The Market volume amounted to 737,156 shares crossing the floor of the Exchange valued at TT\$18.722 million.

The volume leaders are West Indian Tobacco Limited with 155,290 shares (21.07%) followed by Trinidad Cement Limited with 152,944 shares (20.75%) and Massy Holdings Limited with 94,828 shares (12.86%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index advanced by 1.78 points (0.13%) to close at 1,324.89.
- The ALL T&T Index declined by 0.95 points (0.05%) to close at 1,771.66.
- The CROSS-LISTED Index advanced by 0.62 points (0.53%) to close at 118.71.
- The SME Index declined by 3.93 points (6.11%) to close at 60.40.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

Last week, the Regular Market traded a total volume of 50,635 shares. The three companies traded were Goddard Enterprises Limited with 46,109 (91.06%), FirstCaribbean International Bank with 3,526 (6.96%) and Eppley Caribbean Property Fund SCC – Development Fund with 1,000 shares (1.97%).

The BSE Indices ending January 8, 2021.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	8-Jan-21	31-Dec-20		
Local	2,597.61	2,598.39	-0.08	-0.003%
Cross-list	933.43	933.43	-	-
Composite	632.07	632.26	-0.01	-0.002%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- CAR has advised that the Company has decided to expand its product line. Specifically, CAR is exploring the possibility of selling cigarette lighters, rolling paper, shavers and razors. CAR anticipates that the rollout date for the new products will be January 18, 2021.
- SJ and Sagicor Real Estate X Fund (Sagicor Jamaica) have announced the pricing of an underwritten public offering of 10,000,000 ordinary shares of Playa Hotels and Resorts N.V. (NASDAQ: PLYA), held by Sagicor Jamaica, at a public offering price of US\$5.00 per share.
- PULS has advised that the Company has repaid its two hundred and fifty million dollar bond (\$250,000,000.00) in full. Payment to bondholders was made on December 14, 2020. The bond proceeds were disbursed to PULS on December 14, 2019 and had a 5-year tenure. The bond was repaid early. Funds were used to complete extensive refurbishing at the Pulse operated Villa Ronai facility, retire more expensive debt and do preliminary work (related to approvals) on the proposed Pulse Homes at Villa Ronai.
- Derrimon Trading Limited will do an Additional Public Offer (APO), seeking to raise at least J\$3.50 billion with the sale of over 1,498,698,931 shares at a subscription price of J\$2.20 to J\$2.40. The issuing company may upsize the offer by an additional 301.30 million units. The offer opens on January 6, 2020 and closes on January 26, 2020. The prospectus is available for your perusal at <https://www.jamstockex.com/wp-content/uploads/2020/12/DERRIMON-Trading-Prospectus-Final-Web-Upload.pdf>

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
KLE	1.37	0.22	19.13%	CAC 2000	10.65	(2.35)	-18.08%
ICREATE	0.68	0.09	15.25%	RJR	1.46	(0.25)	-14.62%
tTech	4.90	0.60	13.95%	ECPFV	42.56	(6.36)	-13.00%

(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+	98.91	108.26	0.50%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	97.58	106.89	0.94%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	95.44	104.17	0.47%
Chicago Board of Education USS Bond 6.319% 11/01/2029	6.319%	257.125	BB-	109.85	119.85	3.66%
Credito Real SAB De CV 9.500% 02/07/2026	9.500%	400.000	BB	105.19	112.72	6.51%
Digicel Group 0.5 Ltd 10.00% 04/01/2024	10.000%	988.311	CCC-	87.17	95.09	12.79%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	399.208	CC	52.57	60.20	22.83%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	NR	0.78	5.59	496.47%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	27.166	NR	0.60	7.99	265.92%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	0.76	7.52	139.49%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B-	84.30	95.17	7.06%
Govt. of Aruba 4.625% 09/14/2023	4.625%	253.000	BBB-	96.82	107.37	0.22%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB-	95.18	102.75	4.76%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB-	91.43	99.77	6.04%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB-	95.11	102.29	6.60%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	BB-	102.98	111.09	7.51%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	98.94	106.38	5.31%
Govt. of Barbados 6.50% 02/01/2021	6.500%	2.482	NR	100.27	100.27	1.06%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	353.905	A	104.06	107.97	0.10%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	402.203	A	107.76	114.27	0.19%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	89.71	97.79	4.95%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	611.492	BB-	105.50	111.75	0.64%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066,000	BB-	105.75	112.11	3.60%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200,000	BB-	101.84	109.44	5.30%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB	149.80	157.65	1.80%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	103.87	110.74	0.76%
Govt. of Trinidad 4.5% 06/26/2030	4.500%	2,000,000	BB+	103.53	110.51	3.20%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000,000	DD+	5.43	14.18	69.79%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000,000	DD+	5.39	14.18	71.76%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	95.46	104.59	1.36%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	102.25	110.94	5.00%
Petrobras Global Finance 4.375% 05/20/2023	4.375%	931.670	BB-	98.74	108.15	0.87%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	446.148	BB-	106.28	117.40	0.37%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000,000	NR	1.69	7.07	555.25%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000,000	NR	0.47	7.06	87.23%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	0.87	6.96	789.46%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000,000	NR	1.55	7.16	102.24%
Sagicor Finance Ltd 8.875% 08/11/2022	8.875%	318.103	BB	98.60	103.19	-4.24%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB	101.16	107.98	0.32%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	98.48	105.35	7.91%
Trinidad Generation Unlimited 5.25% 11/04/2027	5.250%	600.000	BB+	102.90	109.45	3.77%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	112.35	119.43	1.27%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	99.50	104.98	2.91%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer YTM
GOJ 2022	USD	208.24	11.625%	107.25	111.75	0.05%
GOJ 2025	USD	401.18	7.625%	113.65	122.65	2.30%
GOJ 2025	USD	85.23	9.250%	118.10	127.05	3.11%
GOJ 2028	USD	1421.45	6.750%	116.95	126.20	2.76%
GOJ 2036	USD	250	8.500%	141.50	150.00	4.05%
GOJ 2039	USD	1243.24	8.000%	140.20	150.20	4.07%
GOJ 2045	USD	1815	7.875%	138.20	147.70	4.61%
AIRJAM 2027	USD	77.381	8.125%	100.50	110.00	4.84%
NROCC 2024	USD	294.18	9.375%	114.00	122.20	3.18%