

Week ending October 8, 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 \$12.5Billion to the market. The issue was over-subscribed with the weighted average being 3.28% which was a 69 bps increase over last week's auction.
- Wholesale funding rates for repos continue to rise due to the recent increase in the BOJ benchmark rate.
- 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	September 8, 2021	September 8, 2021	August 13, 2021
Current Yield	1.41%	1.66%	1.31%
Previous Yield	0.88%	1.20%	1.32%
Net Change	0.53%	0.46%	-0.01%

(Source: Bank of Jamaica)

## GLOBAL BOND MARKET

- GOJ global bond prices adjusted downwards this week on moderate trading activity.
- S&P revised Jamaica's outlook to stable from negative, and affirmed the 'B+/B' long- and short-term foreign and local currency sovereign credit ratings.
- The Bahamas government reaffirmed its commitment to honoring its debt obligations this week. Bonds have since recovered from last week's lows.
- The US Senate approved a short-term debt ceiling increase to avoid payment defaults. This increase is expected to expire around December 3<sup>rd</sup>

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with moderate to strong demand over the week amidst moderate supply.
- There was no intervention from the Bank of Jamaica (BOJ) during the week.
- At the end of trading, Friday October 08, 2021, the Jamaican dollar was valued at 148.9499\$ against the US\$ which represents an approximately \$1.41 devaluation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	1-Oct-21	4-Oct-21	5-Oct-21	6-Oct-21	7-Oct-21	8-Oct-21	
USD	147.5385	148.2445	147.6630	147.6208	148.8523	148.9499	(1.4114)
CAD	117.9073	117.9614	118.5028	119.5498	119.5498	121.7562	(3.8489)
GBP	202.8255	202.2356	202.4345	204.3085	205.8073	205.1279	(2.3024)
EUR	178.4765	174.4302	176.2477	173.6679	175.8681	176.6036	1.8729

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Weekly market activity resulted from trading in 110 stocks of which 46 advanced, 51 declined and 13 traded firm.

The Market volume amounted to 102,203,581 units valued at over J\$832,086,349.73.

The market volume leaders are Wigton Windfarm Limited with 13,755,156 units (13.46%), followed by Jamaica Teas Limited with 9,807,557 units (9.60%) and TransJamaica Highway Limited with 8,734,492 units (8.55%).

The US\$ market volume (excluding blocks) amounted to 1,066,492 units valued at over US\$63,519.19.

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

- The JSE Combined Index declined by 5,855.83 points (1.40%) to close at 411,217.07.
- The JSE Index declined by 6,186.90 points (1.49%) to close at 408,390.85.
- The JSE All Jamaican Composite Index declined by 5,272.73 points (1.16%) to close at 451,217.11.
- The JSE Select Index declined by 209.71 points (2.09%) to close at 9,814.99.
- The JSE Cross Listed Index declined by 4.42 points (5.38%) to close at 77.72.
- The Junior Market Index declined by 12.03 points (0.36%) to close at 3,300.47.
- The JSE USD Equities Index declined by 9.84 points (5.02%) to close at 186.36.
- The JSE Financial Index declined by 2.69 points (2.66%) to close at 98.35.
- The JSE Manufacturing & Distribution Index advanced by 0.82 points (0.77%) to close at 107.02.

(Source: Jamaica Stock Exchange)

### TRINIDAD

Weekly market activity resulted from trading 27 securities of which 16 advanced, 5 declined and 6 traded firm.

The Market volume amounted to 1,404,049 shares crossing the floor of the Exchange valued at TT\$21.841 million.

The volume leaders are GraceKennedy Limited with 507,108 shares (36.12%), followed by NCB Financial Group Limited with 270,288 shares (19.25%) and Clico Investments Fund with 133,874 shares (9.53%).

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

- The COMPOSITE Index advanced by 2.48 points (0.17%) to close at 1,431.69.
- The ALL T&T Index advanced by 6.11 points (0.32%) to close at 1,95.96.
- The CROSS-LISTED Index declined by 0.20 points (0.16%) to close at 125.03.
- The SME Index traded firm to close at 38.51.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 4,627 shares. The three companies traded were Barbados Farms Limited with 3,461 (74.80%), FirstCaribbean International Bank with 866 (18.72%) and West India Biscuit Company Limited with 300 shares (6.48%).

#### The BSE Indices ending October 8, 2021.

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	8-Oct-21	1-Oct-21		
Local	2,426.64	2,441.79	-15.15	-0.620%
Cross-list	1,140.86	1,140.86	-	-
Composite	594.46	598.06	-3.6	-0.602%

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

- Trinidad & Tobago Stock Exchange (TTSE) - The Government proposes a full-tax holiday for the first 5-year period to new SMEs listing on the TTSE by granting tax exemption on Business Levy and Green Fund Levy to new listings in addition to tax incentives in the Finance Act 2020 (Act 30 of 2020). For the second 5-year period, new SME listings will be taxed at 50.0% (Corporation Tax, Business Levy and Green Fund Levy). Assistance will be provided to the TTSE to operationalize and integrate the SME. Mentorship Programme into the broader set of services currently provided to SMEs by various government agencies. This measure will take effect on January 1, 2022.
- TTSE - For investors, there were signals of upcoming market activity: ·The finance minister announced an Initial Public Offering of the shares in the Trinidad and Tobago Mortgage Bank. ·Plans for the divestment of some of the Government's holding in FCB were announced.
- VMIL has advised that the Company raised \$2.5 billion through an 18-month bond offer at a 5.5 per cent interest rate. For further details, visit [www.jamstockex.com](http://www.jamstockex.com).
- ISP Financial Services Ltd has also advised that following its initial advisory on September 10, 2021 indicating that the Company had entered into a loan purchase agreement, ISP now advises that the agreement signed is with Mundo Finance Limited giving it the right to purchase loans from a medium-sized loan portfolio.

### Top Advancers and Decliners for the week.

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
ISP	34.75	9.75	39.00%	PJX	6.95	(2.05)	-22.78%
ICREATE	1.09	0.29	36.25%	IROC	3.30	(0.80)	-19.51%
CPJ	6.66	1.39	26.38%	PBS	0.74	(0.16)	-17.78%

(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+	101.43	104.64	1.06%
Bancolumbia SA 5.125% 09/11/2022	5.125%	2.945	NR	99.62	103.50	1.24%
Centrais Eletricas Brasileiras 5.75% 10/27/2021	5.750%	625.702	BB-	98.05	100.28	-1.46%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB-	111.29	117.29	3.81%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	BB-	85.31	93.07	11.58%
Digicel Group 0.5 Ltd 10.0% 04/01/2024	10.000%	1,048.104	CCC-	95.89	103.80	8.32%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	425.201	CC	85.85	93.48	10.22%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	NR	3.20	6.24	3212.25%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	27.166	NR	1.88	7.84	610.65%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	1.50	6.74	176.35%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	B	99.87	108.56	5.55%
Govt. of Aruba 4.625% 09/14/2023	4.625%	169.000	BB+	102.24	104.92	1.13%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	BB-	91.49	98.22	6.61%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	BB-	88.95	94.13	7.21%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	BB-	90.64	97.54	7.36%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	BB-	94.23	101.83	8.69%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	97.57	103.80	5.70%
Govt. of Bermuda 4.138% 01/03/2023	4.138%	353.905	A	102.29	104.59	0.37%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	402.203	A	106.00	109.59	0.67%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	98.48	104.40	3.06%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	611.492	BB-	102.63	106.89	1.26%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066.000	BB-	99.06	104.50	4.35%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200.000	BB-	93.26	98.05	6.00%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB-	142.22	146.42	2.52%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	101.48	106.28	1.53%
Govt. of Trinidad 4.50% 06/26/2030	4.500%	500.000	BB+	102.58	108.03	3.42%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	DD+	6.82	15.37	68.00%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	NR	6.62	15.00	72.14%
Instituto Costa de Electricidad 6.95% 11/10/2021	6.950%	500.000	B	98.20	100.51	0.13%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	98.30	105.24	5.51%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	446.148	BB-	108.83	113.68	0.50%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	3.85	9.26	2843.90%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	3.43	9.21	78.93%
Petroleos De Venezuela SA 9.00% 11/17/2021	9.000%	2,394.240	NR	3.75	8.78	7843.51%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	3.78	9.04	100.00%
Sagcor Financial Co. 5.30% 05/13/2028	5.300%	400.000	BB	101.74	105.03	4.08%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BB	98.24	103.07	1.83%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	103.89	108.88	7.19%
Trinidad Generation Unlimited 5.25% 11/04/2027	5.250%	600.000	BB	98.88	104.34	4.24%
Trinidad Petroleum Holdings Ltd. 9.75% 06/15/2026	9.750%	570.265	BB-	108.25	113.43	1.00%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	100.81	104.00	3.39%

### GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer Yield
GOJ 2022	USD	208.239	11.625%	100.50	102.90	0.262%
GOJ 2025	USD	401.176	7.625%	111.45	117.45	1.127%
GOJ 2025	USD	85.225	9.250%	117.35	122.20	3.30%
GOJ 2028	USD	1421.447	6.750%	113.65	118.90	3.01%
GOJ 2036	USD	250.000	8.500%	135.35	142.25	4.48%
GOJ 2039	USD	1243.238	8.000%	135.60	142.10	4.38%
GOJ 2045	USD	1815.000	7.875%	135.60	141.85	4.88%
AIRJAM 2027	USD	71.429	8.125%	102.50	110.00	4.36%
NROCC 2024	USD	294.180	9.375%	114.20	119.20	1.71%