

Week ending August 19, 2022

## JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low to moderate levels of liquidity conditions during the week.
- The BOJ auctioned its weekly 30-day CD offering \$19.5 Billion to the market. The issue was over-subscribed with the weighted average being 7.94% which represents a 70bps decrease over last week's auction.
- The BOJ increased its benchmark rate for overnight deposits by 0.50% to 6.00%. The Bank also decided to continue pursuing other measures to contain Jamaican dollar liquidity expansion and maintain relative stability in the foreign exchange market.
- The market is expected to trade with low to moderate levels of liquidity next week.

See closing repo rates below:

Tenor	Current Rate %
Overnight	6.50 - 7.00
30 days	7.00 - 7.25
90 days	7.50 - 7.75
180 days	7.80 - 7.95
365 days	8.00 - 8.25

## 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	2.00 - 2.75
30 days	3.75 - 4.00
90 days	4.50 - 4.75
180 days	5.00 - 5.25
365 days	5.50 - 5.75

## JA\$ Treasury-Bill Weighted Average Yields

Instrument	90 Day Treasury Bill	180 Day Treasury Bill	270 Day Treasury Bill
Last Auction	August 10, 2022	August 10, 2022	August 10, 2022
Current Yield	7.64%	7.86%	8.42%
Previous Yield	7.62%	7.89%	8.20%
Net Change	0.02%	-0.03%	0.22%

(Source: Bank of Jamaica)

## GLOBAL BOND MARKET

- Inflation in Latin America is still negatively affecting corporate credit in the region, as nations work to rein in accelerating prices amid elections and changes in fiscal and monetary policy, according to Fitch Ratings Inc.
- Dominican Republic Economy Minister Pavel Ernesto Isa Contreras said the government will sell bonds and cut spending to help pay for a subsidy program that's helping families cope with the rising costs of household necessities
- El Salvador's Finance Minister Alejandro Zelaya said the government will launch an offer before September 15 to buy bank bonds coming due in 2023 and 2025 and enable a website for bondholders to participate
- The biggest rally in global corporate bonds in more than two years is beginning to sputter as investors weigh risks of more central bank rate hikes and slower growth

(Source: Bloomberg)

## FX MARKET

- The foreign exchange market traded with low to moderate demand over the week amidst moderate to high supply.
- There was no intervention from the Bank of Jamaica (BOJ)
- At the end of trading, Friday August 19, 2022, the Jamaican dollar was valued at \$151.78 against the US\$ which represents an approximately \$0.68 appreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	12-Aug-22	15-Aug-22	16-Aug-22	17-Aug-22	18-Aug-22	19-Aug-22	
USD	152.4699	152.2766	152.2224	152.0896	151.9711	151.7844	0.6855
CAD	119.5184	118.0477	118.0497	117.704	117.7189	119.9730	(0.4546)
GBP	187.6830	182.8117	183.2381	184.6734	180.4993	179.5114	8.1716
EUR	158.3199	155.7127	156.6387	155.499	154.8321	152.9082	5.4117

(Source: Bank of Jamaica)

## REGIONAL EQUITY MARKETS

### JAMAICA

Weekly activity resulted from trading 123 stocks of which 42 advanced, 71 declined and 10 traded firm.

The market volume amounted to 739,715,043 units valued at over \$4,323,675,034.81.

The market volume leaders were PULSE INVESTMENTS LIMITED with 351,390,894 units, followed by SAGICOR REAL ESTATE X FUND LTD. with 282,557,523 units and DOLLA FINANCIAL SERVICES LIMITED with 13,250,110 units.

The US\$ market volume (excluding blocks) amounted to 3,360,915 units valued at over US\$437,205.52.

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

- The JSE Index declined by 4,801.62 points (1.31 %) to close at 362,534.06.
- The Junior Market Index declined by 41.61 points (1.00 %) to close at 4,100.81.
- The JSE Combined Index declined by 4,863.74 points (1.28 %) to close at 375,849.10.
- The JSE All Jamaican Composite Index declined by 6,534.43 points (1.56 %) to close at 412,016.26.
- The JSE Select Index declined by 192.24 points (2.03 %) to close at 9,282.90.
- The JSE USD Equities Index advanced by 6.09 points (3.14 %) to close at 200.31.
- The JSE Cross Listed Index declined by 0.12 points (0.20 %) to close at 60.76.
- The JSE Financial Index declined by 1.93 points (2.18 %) to close at 86.48.
- The JSE Manufacturing & Distribution Index declined by 0.34 points (0.33 %) to close at 101.55.

(Source: Jamaica Stock Exchange)

### TRINIDAD

Weekly market activity resulted from trading in 25 securities of which 13 advanced, 10 declined and 2 traded firm.

The market volume amounted to 4,066,131 shares crossing the floor of the Exchange valued at TT\$48,839,098.42.

The volume leaders were JMMB GROUP LIMITED was the volume leader with 2,102,999 shares followed by NATIONAL ENTERPRISES LIMITED with a volume of 668,245 shares.

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

- The COMPOSITE Index advanced by 4.77 points (0.35%) to close at 1,367.83.
- The ALL T&T Index advanced by 5.95 points (0.29%) to close at 2,028.30.
- The CROSS-LISTED Index advanced by 0.49 points (0.53%) to close at 92.54.
- The SME Index traded firm to close at 40.21.

(Source: Trinidad and Tobago Stock Exchange)

### BARBADOS

This week, the Regular Market traded a total volume of 23,734 shares. The two securities traded were Eppley Caribbean Property Fund SCC – Value Fund with 23,612 and FirstCaribbean International Bank with 122 shares.

#### The BSE Indices ending August 19, 2022

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES
	19-Aug-22	12-Aug-22	
Local	2,501.86	2,502.16	-0.3
Cross-list	829.72	829.72	-
Composite	607.46	607.53	-0.07

(Source: Barbados Stock Exchange)

## REGIONAL EQUITY MARKETS

- NCB Financial Group Limited advises of the intention of its wholly owned subsidiary, National Commercial Bank Jamaica Limited, to raise up to US\$300,000,000.00 (THREE HUNDRED MILLION UNITED STATES DOLLARS) by way of the Securitization of its Credit Card Merchant Voucher Receivables. The transaction will be rated by FITCH Ratings and placed in the International Private Placement Market by Greyfell Capital Management LLC, as Arranger. The transaction is expected to close by September 30, 2022.
- Cargo Handlers Limited (CHL) has advised at a meeting of the Board of Directors held on August 16, 2022, the Directors declared an interim dividend of \$0.13 per stock unit to stockholders on record as at August 31, 2022 and will be paid on September 23, 2022.
- Sagikor Group Jamaica (SJ) announced that its subsidiary, Sagikor Investments Jamaica Limited has completed the purchase of the securities dealer book of business of Alliance Investment Management Limited (AIML), having satisfactorily completed all due diligence and regulatory requirements. Sagikor announced its intention to purchase the client portfolio of AIML in April of this year.
- The Board of Access Financial Services Limited (AFS) has formally advised the Jamaica Stock Exchange (JSE) that there have been no discussions between the company and Dolla Financial Services for a possible takeover of its holdings. The AFS letter to the JSE on Friday (August 12), came a day after media reports suggested that both companies had been in talks about a takeover.
- The basis of Allotment for One On One Educational Services Limited Issue of 380,000,000 Ordinary Shares has been published and is available at <https://www.jamstockex.com/basis-of-allotment-for-one-on-one-educational-services-limited-issue-of-38000000-ordinary-shares/>

### Top Advancers and Decliners for the week:

Advancers				Decliners			
Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
MTL	29.40	7.40	33.64%	CBNY	0.45	(0.15)	-25.00%
CPFV	44.98	6.58	17.14%	MPCCEL	68.89	(15.61)	-18.47%
PJX	10.83	0.83	8.30%	138SLVR	42.59	(6.73)	-13.65%

(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	97.29	100.36	3.65%
Bancolombia SA 5.125% 09/11/2022	5.125%	2.945	NR	97.92	100.19	1.31%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB	96.91	102.91	5.82%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	NR	1.41	4.78	165.35%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	431.579	CC	61.03	68.39	25.21%
Digicel Group Ltd 7.125% 04/01/2022	7.125%	21.004	NR	0.62	3.56	200.37%
Digicel Group Two Ltd 8.25% 09/30/2022	8.250%	27.166	NR	2.00	7.40	12184.20%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	0.53	5.29	362.71%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	BB-	86.08	94.58	7.19%
Govt. of Aruba 4.625% 09/14/2023	4.625%	169.000	BB+	97.91	100.32	4.03%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	B+	75.19	82.95	20.35%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	B+	60.56	68.10	15.06%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	B+	61.49	66.76	14.51%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	B+	60.52	67.28	15.43%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.595	NR	87.37	96.85	7.29%
Govt. of Bermuda 4.854% 02/06/2024	4.854%	402.203	A	98.41	102.06	3.39%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	94.67	100.57	4.15%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	49.998	BB-	98.66	102.90	3.27%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066.000	BB-	79.83	85.32	6.92%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200.000	BB-	70.49	76.01	7.87%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB-	120.32	125.56	4.81%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	97.93	102.92	2.24%
Govt. of Trinidad 4.5% 06/26/2030	4.500%	500.000	BB+	93.47	98.89	4.67%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	NR	4.69	13.10	75.15%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	NR	4.68	13.04	84.29%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	90.91	97.12	6.37%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	281.945	BB-	100.56	105.35	2.42%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	2.53	8.75	145.70%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	2.25	8.08	92.06%
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	1.72	6.97	113.43%
Sagikor Financial Co. 5.30% 05/13/2028	5.300%	550.000	BB	91.00	96.19	6.10%
Scotiabank Peru S.A.A 4.50% 12/13/2027	4.500%	400.000	BBB	94.48	100.10	4.15%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	88.37	94.12	10.23%
Trinidad Generation Unlimited 5.25% 11/04/2027	5.250%	600.000	BB	94.33	99.70	5.33%
Trinidad Petroleum Holdings Ltd. 9.00% 08/12/2029	9.000%	500.000	BB-	104.53	108.72	6.79%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	97.61	101.89	4.66%

## GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer Yield
GOJ 2025	USD	381.176	7.625%	103.30	109.30	2.500%
GOJ 2025	USD	85.225	9.250%	107.75	113.25	4.67%
GOJ 2028	USD	1421.447	6.750%	106.20	112.20	3.87%
GOJ 2036	USD	250.000	8.500%	118.25	127.75	5.55%
GOJ 2039	USD	1243.238	8.000%	115.95	122.95	5.75%
GOJ 2045	USD	1815.000	7.875%	114.10	121.10	6.15%
AIRJAM 2027	USD	59.524	8.125%	97.50	103.50	6.57%
NROCC 2024	USD	294.180	9.375%	103.50	110.20	3.19%