

Week ending January 13, 2023

JA\$ FIXED INCOME

- The JA\$ Fixed income market traded with low levels of liquidity conditions during the week.
- The BOJ auctioned its weekly 30-day CD offering \$25 Billion to the market. The issue was over-subscribed with the weighted average coming out at 9.39% which represents a 8bps increase over last week's auction.
- The GOJ re-opened four of its bonds on Friday in a bid to raise \$20Bn from the market to partially replace the maturity of the \$43Bn of VR2023 BMi Notes. The notes reopened included the FR2025, FR2031, FR2037 and FR2050.
- The GOJ T-Bills were also auctioned with both the 90 and 180 day tenors being oversubscribed. (see results below).
- The market is expected to trade with improved levels of liquidity next week due to the maturing GOJ instrument.

See closing repo rates below:

Tenor	Current Rate %
Overnight	7.50 - 8.00
30 days	8.15 - 8.35
90 days	8.50 - 8.65
180 days	8.75 - 8.95
365 days	9.00 - 9.15

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	4.00 - 4.25
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	January 11, 2023	January 11, 2023	November 11, 2022
Current Yield	8.08%	8.30%	8.45%
Previous Yield	8.04%	8.18%	8.41%
Net Change	0.04%	0.13%	0.04%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- Scotiabank Peru announced that a total aggregate principal amount of US\$108,003,000 Notes was tendered and accepted for purchase of the 4.50% Fixed-to-Floating Rate Subordinated Notes due 2027.
- Former US Treasury Secretary Lawrence Summers said that the US economy is still facing a recession this year, despite encouraging news in recent weeks. The Harvard University professor has for some time predicted that a recession would be necessary to bring US inflation down toward the Federal Reserve's 2% target.
- A key gauge of US inflation posted a moderate increase in December, adding to evidence that some price pressures are easing and offering the Federal Reserve room to slow the pace of interest-rate hikes next month.
- The Dominican Republic is one step closer to tapping international bond markets for the first time in almost a year after parliament approved a bill on Tuesday that allows the government to borrow up to RD\$363.3 billion pesos (US\$6.4 billion) in domestic and international debt markets this year.

(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 13, 2023, the Jamaican dollar was valued at \$153.56 against the US\$ which represents an approximately \$0.36 depreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						Weekly Change (\$)
	6-Jan-23	9-Jan-23	10-Jan-23	11-Jan-23	12-Jan-23	13-Jan-23	
USD	153.1997	153.3302	153.7754	154.0249	153.3419	153.5603	(0.3606)
CAD	113.0515	114.1716	112.9218	113.5998	114.9114	116.8364	(3.7849)
GBP	184.3004	185.9556	186.0014	183.9029	187.0173	185.7319	(1.4315)
EUR	164.2002	162.6024	166.7968	168.2946	167.9431	168.5880	(4.3878)

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Weekly market activity resulted from trading in 126 stocks of which 47 advanced, 65 declined and 14 traded firm.

The market volume amounted 77,177,599 units valued at over J\$503,572,822.08.

The market volume leaders are TransJamaica Highway Limited with 9,503,853 units (12.09%), followed by Wigton Windfarm Limited with 9,082,646 units (11.55%) and Sagicor Select Fund Limited –Financial with 4,949,776 units (6.29%).

The US\$ market volume (excluding blocks) amounted to 1,456,744 units valued at over US\$203,845.17.

The following reflect the movement of the JSE Indices:

- The JSE Index declined by 2,683.53 points (0.77 %) to close at 345,497.10.
- The Junior Market Index advanced by 47.69 points (1.22 %) to close at 3,948.47.
- The JSE Combined Index declined by 2,065.14 points (0.57 %) to close at 358,542.64.
- The JSE All Jamaican Composite Index declined by 3,057.11 points (0.77 %) to close at 392,986.76.
- The JSE Select Index declined by 72.96 points (0.84 %) to close at 8,567.70.
- The JSE USD Equities Index declined by 6.49 points (2.78 %) to close at 227.32.
- The JSE Cross Listed Index declined by 0.54 points (0.93 %) to close at 57.72.
- The JSE Financial Index declined by 0.28 points (0.34 %) to close at 82.63.
- The JSE Manufacturing & Distribution Index declined by 1.38 points (1.42 %) to close at 95.70.

(Source: Jamaica Stock Exchange)

TRINIDAD

Weekly market activity resulted from trading 27 securities of which 6 advanced, 12 declined and 9 traded firm.

The market volume amounted to 2,503,279 shares crossing the floor of the Exchange valued at TT\$10.360 million.

The volume leaders are JMMB Group Limited with 1,086,308 shares (43.40%), followed Massy Holdings Limited with 622,201 shares (24.86%) and National Enterprises Limited with 199,482 shares (7.97%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index declined by 2.65 points (0.20%) to close at 1,328.71.
- The ALL T&T Index declined by 1.71 points (0.09%) to close at 1,998.05.
- The CROSS-LISTED Index declined by 0.51 points (0.59%) to close at 85.73.
- The SME Index declined by 0.19 points (0.37%) to close at 50.72.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 121,798 shares. The three securities traded were Eppley Caribbean Property Fund SCC – Value Fund with 89,869 (73.79%), Barbados Farms Limited with 16,595 (13.63%) and Goddard Enterprises Limited with 15,334 shares (12.59%).

The BSE Indices ending January 13, 2022

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	13-Jan-23	6-Jan-23		
Local	2,520.71	2,515.10	5.61	0.223%
Cross-list	803.79	803.79	0.00	0.000%
Composite	611.53	610.2	1.33	0.218%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- MPCCEL has advised that loan refinancing for TilaWind Corporation S. A. (Tilawind), the project company owning the 21 MW Tilawind wind farm in Costa Rica has been finalised on January 5, 2023. The new loan agreement was finalized with Banco Nacional and features a lower interest rate and reserve balance as well as preferable repayment conditions. Tilawind is a 100% subsidiary of CCEF ANSA Renewable Energies Holdings Limited in which the Fund holds a 50% shareholding. The Fund is the "Investment Company" in which MPC Caribbean Clean Energy Limited exclusively invests.
- PJAM has advised of the sale of its 33.3% stake in New Castle Company Limited (New Castle) effective December 21, 2022. New Castle manufactures and distributes jerk sauces and seasonings, and other condiments under the brands Walkerswood, Busha Browne's and Jamaica Joe, which it owns.
- FIRSTROCK has advised that its subsidiary, First Rock Capital Cayman Limited, has recently acquired an interest in the Kailani (Hilton) Cayman, a luxury boutique hotel, from the NCB Group Cayman for US\$1,350,000.
- GHL has advised that the existing standard on insurance contracts, International Financial Reporting Standard ("IFRS") 4, will be replaced by IFRS 17. The new standard will materially change the recognition and measurement of insurance contracts and the corresponding presentation and disclosures in GHL's Consolidated Financial Statements. Effective January 1, 2023, the Guardian Group implemented IFRS 17 and restated all relevant prior periods in accordance with the transition requirements of the standard.
- 138SL has advised that effective January 1, 2023, Sagicor Corporate Trust Services has been appointed Registrar and Transfer Agent of the Company.

JSE Top Gainers and Decliners for the week

Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
ISP	24.85	7.36	42.08%	JMMBGL 7.00NC PR	2.25	(0.65)	-22.41%
MTL	22.99	6.37	38.33%	ROC	2.01	(0.34)	-14.47%
PTL	1.99	0.39	24.38%	KEY	2.83	(0.47)	-14.24%

(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	96.65	99.72	5.46%
Chicago Board of Education US\$ Bond 6.319% 11/01/2029	6.319%	257.125	BB	92.62	98.62	6.57%
Credito Real SAB De CV 9.50% 02/07/2026	9.500%	400.000	NR	2.56	5.67	198.84%
Digicel Group 0.5 Ltd 8.00% 04/01/2025	8.000%	498.053	C+	21.17	28.46	81.23%
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	1.84	7.40	111.49%
Digicel Group Two Ltd 9.125% 04/01/2024	9.125%	7.817	NR	0.34	5.48	503.05%
Genworth Holdings Inc 6.50% 06/15/2034	6.500%	300.000	BB-	84.83	93.11	7.40%
Govt. of Aruba 4.625% 09/14/2023	4.625%	84.000	BB+	97.52	99.88	4.79%
Govt. of Bahamas 5.75% 01/16/2024	5.750%	300.000	B+	91.52	99.19	6.58%
Govt. of Bahamas 6.00% 11/21/2028	6.000%	750.000	B+	73.65	80.12	11.47%
Govt. of Bahamas 6.95% 11/20/2029	6.950%	300.000	B+	73.26	81.25	10.90%
Govt. of Bahamas 8.95% 10/15/2032	8.950%	825.000	B+	78.15	84.28	11.69%
Govt. of Barbados 6.50% 10/01/2029	6.500%	530.584	B-	87.49	95.11	7.83%
Govt. of Costa Rica 4.375% 04/30/2025	4.375%	500.000	B	93.43	99.31	4.69%
Govt. of Dominican Republic 5.875% 04/18/2024	5.875%	49.998	BB-	96.64	101.00	4.52%
Govt. of Dominican Republic 4.875% 09/23/2032	4.875%	3,066.000	BB-	81.45	86.79	6.75%
Govt. of Dominican Republic 5.875% 01/30/2060	5.875%	3,200.000	BB-	72.08	77.51	7.72%
Govt. of Panama 9.375% 04/01/2029	9.375%	951.425	BBB-	116.61	121.93	5.20%
Govt. of Trinidad 4.375% 01/16/2024	4.375%	550.000	BB+	96.26	101.30	3.07%
Govt. of Trinidad 4.5% 06/26/2030	4.500%	500.000	BB+	92.46	98.18	4.79%
Govt. of Venezuela 9.250% 05/07/2028	9.250%	2,000.000	NR	4.71	13.45	73.27%
Govt. of Venezuela 9.25% 09/15/2027	9.250%	4,000.000	NR	4.83	13.26	83.07%
National Gas Company 6.05% 01/15/2036	6.050%	400.000	BB+	90.33	95.87	6.53%
Petrobras Global Finance 4.75% 01/14/2025 Euro Denom	4.750%	271.945	BB-	97.91	102.86	3.26%
Petroleos De Venezuela SA 12.75% 02/17/2022	12.750%	3,000.000	NR	3.38	8.53	149.40%
Petroleos De Venezuela SA 5.375% 04/12/2027	5.375%	3,000.000	NR	3.40	7.14	-
Petroleos De Venezuela SA 9.75% 05/17/2035	9.750%	3,000.000	NR	2.70	8.04	92.84%
Sagicor Financial Co. 5.30% 05/13/2028	5.300%	550.000	BB	91.58	97.25	5.91%
Telecom Services TT 8.875% 10/18/2029	8.875%	300.000	B	84.31	90.05	11.36%
Trinidad Generation Unltd 5.25% 11/04/2027	5.250%	600.000	BB	94.51	99.93	5.27%
Trinidad Petroleum Holdings Ltd. 9.00% 08/12/2029	9.000%	500.000	BB-	102.91	107.09	7.07%
Unicomer 7.875% 04/01/2024	7.875%	350.000	BB-	96.02	99.42	8.36%

GOJ Global Bond Indicative Prices

BOND	CURRENCY	SIZE (M)	COUPON	BID	OFFER	Offer Yield
GOJ 2025	USD	381.176	7.625%	99.85	105.85	3.547%
GOJ 2025	USD	85.225	9.250%	104.50	110.50	5.13%
GOJ 2028	USD	1421.447	6.750%	102.65	108.15	4.63%
GOJ 2036	USD	250.000	8.500%	111.00	118.50	6.40%
GOJ 2039	USD	1243.238	8.000%	113.30	119.80	5.99%
GOJ 2045	USD	1815.000	7.875%	109.00	115.50	6.55%
AIRJAM 2027	USD	53.571	8.125%	97.50	103.50	6.51%
NROCC 2024	USD	294.180	9.375%	101.50	106.70	4.13%