

Week ending January 06, 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 \$22 Billion to the market. The issue was under-subscribed with the weighted average coming out at 9.31% which represents a 42bps increase over last week's auction.
- The GOJ VR 2023 bond is set to mature on January 13, 2022. Expected inflows to the market from the maturity is approximately 43Bil. The GOJ is expected to reopen several bond issues this week to partially rollover the maturing funds.
- The market is expected to trade with moderate levels of liquidity next week.

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	December 7, 2022	December 7, 2022	November 11, 2022
Current Yield	8.04%	8.18%	8.45%
Previous Yield	7.86%	8.27%	8.41%
Net Change	0.18%	-0.09%	0.04%

(Source: Bank of Jamaica)

GLOBAL BOND MARKET

- Scotiabank Peru announced that it has commenced a tender offer for cash for any and all of its outstanding 4.50% Fixed-to-Floating Rate Subordinated Notes due 2027.
- Federal Reserve officials Friday stressed further interest-rate hikes are needed to tame inflation even though there are emerging signs that price pressures are cooling.
- The US labor market stayed strong last month and wage gains cooled, reducing risks of a near-term recession and giving the Federal Reserve room to slow interest-rate hikes.
- Credito Real SAB de CV, one of Mexico's non-bank lenders, said that all the local debt issued by the company, or trust stock certificates, were amortized early, according to the company's liquidator fourth report.

(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 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 January 06, 2023, the Jamaican dollar was valued at \$153.19 against the US\$ which represents an approximately \$1.14 depreciation in the value of the JA\$ for the week.

	Weighted Avg. Sell Rates						
	30-Dec-22	2-Jan-23	3-Jan-23	4-Jan-23	5-Jan-23	6-Jan-23	Weekly Change (\$)
USD	152.0521	Holiday	152.601	152.846	153.3674	153.1997	(1.1476)
CAD	108.4868	Holiday	110.9008	112.5612	112.552	113.0515	(4.5647)
GBP	182.0905	Holiday	181.7316	183.7045	183.5426	184.3004	(2.2099)
EUR	165.0728	Holiday	163.228	161.7385	164.9738	164.2002	0.8726

(Source: Bank of Jamaica)

REGIONAL EQUITY MARKETS

JAMAICA

Weekly market activity resulted from trading in 127 stocks of which 59 advanced, 57 declined and 11 traded firm.

The Market volume amounted 63,986,435 units valued at over J\$429,769,242.96.

The market volume leaders are TransJamaica Highway Limited with 13,125,565 units (20.10%), followed by Regency Petroleum Limited with 4,109,545 units (6.29%) and Wigton Windfarm Limited with 3,943,200 units (6.04%).

The US\$ market volume (excluding blocks) amounted to 1,322,450 units valued at over US\$35,476.33.

The following reflect the movement of the JSE Indices:

- The JSE Index declined by 7,716.01 points (2.17 %) to close at 348,180.63.
- The Junior Market Index declined by 85.66 points (2.15 %) to close at 3,900.78.
- The JSE Combined Index declined by 7,984.20 points (2.17 %) to close at 360,607.78.
- The JSE All Jamaican Composite Index declined by 7,036.49 points (1.75 %) to close at 396,043.87.
- The JSE Select Index declined by 255.82 points (2.88 %) to close at 8,640.66.
- The JSE USD Equities Index declined by 0.16 points (0.07 %) to close at 233.81.
- The JSE Cross Listed Index declined by 2.52 points (4.15 %) to close at 58.26.
- The JSE Financial Index declined by 2.97 points (3.46 %) to close at 82.91.
- The JSE Manufacturing & Distribution Index declined by 0.34 points (0.35 %) to close at 97.08.

(Source: Jamaica Stock Exchange)

TRINIDAD

Weekly market activity resulted from trading 24 securities of which 9 advanced, 8 declined and 7 traded firm.

The Market volume amounted to 2,992,881 shares crossing the floor of the Exchange valued at TT\$33.555 million.

The volume leaders Massy Holdings Limited with 1,711,473 shares (57.18%), followed First Citizens Group Financial Holdings Limited with 403,816 shares (13.49%) and National Enterprises Limited with 245,855 shares (8.21%).

The following reflect the movement of the TTSE Indices: -

- The COMPOSITE Index declined by 0.79 points (0.06%) to close at 1,331.36.
- The ALL T&T Index declined by 8.04 points (0.40%) to close at 1,999.76.
- The CROSS-LISTED Index advanced by 0.98 points (1.15%) to close at 86.24.
- The SME Index traded firm to close at 50.91.

(Source: Trinidad and Tobago Stock Exchange)

BARBADOS

This week, the Regular Market traded a total volume of 20,295 shares. The three securities traded were Insurance Corporation of Barbados Limited with 20,000 (98.55%), FirstCaribbean International Bank with 151 (0.74%) and Eppley Caribbean Property Fund SCC – Value Fund with 144 shares (0.71%).

The BSE Indices ending January 6, 2022

INDICES	TODAY'S TRADING	LAST TRADING	CHANGES	% Change
	6-Jan-23	30-Dec-22		
Local	2,515.10	2,515.44	-0.34	-0.014%
Cross-list	803.79	803.79	0.00	0.000%
Composite	610.2	610.28	-0.08	-0.013%

(Source: Barbados Stock Exchange)

REGIONAL EQUITY MARKETS

- VMIL has advised that the Company has acquired 135,483,871 units of Kingston Properties (KPREIT) shares for a combined consideration of \$1,050,000,000. This transaction increases VMIL's stake in KPREIT to a total of twenty-three per cent (23%), making KPREIT an associate company of VMIL.
- Palace Amusement Limited has advised that the Board has resolved that among the resolutions to be considered and voted upon at the Company's Annual General Meeting to be held on January 24, 2023, at 2:00 p.m. are the following:
 - THAT the authorized share capital of the Company be increased from 1,500,000 shares to an Unlimited number of shares by the creation of an unlimited number of ordinary shares such shares to rank pari passu with the existing shares in issue.
 - THAT each of the issued ordinary shares in the capital of the Company be sub-divided into 600 ordinary shares with effect from the close of business on February 28, 2023, resulting in the total issued share capital of the company being increased from 1,437,028 ordinary shares of no-par value to 862,216,800 ordinary shares of no-par value.
- Barita Investments Limited (BIL) has advised that effective January 1, 2023, Mr. Ramon Small-Ferguson will be appointed to the positions of Managing Director of Barita Unit Trusts Management Company Limited ("BUTMC") and Deputy Chief Executive Officer of Barita Investments Limited, consistent with the Company's succession planning programme. Accordingly, Mr. Jason Chambers has resigned from the post of Managing Director for BUTMC, effective December 31, 2022. Mr. Chambers will continue to serve as a Board Director of both BUTMC and BIL. Mr. Damion Brown has been appointed Chief Investment Strategist and CEO, Real Estate and Alternative Investments at Cornerstone United Holdings Jamaica Limited, an affiliate of BIL, effective November 28, 2022. In this role, Damion will assume responsibility for the executive oversight of the strategic development, management, and execution of the alternative investments mandate of the Cornerstone Group.

JSE Top Gainers and Decliners for the week

Symbol	Close Price (\$)	Change (\$)	%	Symbol	Close Price (\$)	Change (\$)	%
JPS 7.00 PREF.	3.37	2.73	426.56%	PTL	1.60	(0.35)	-17.95%
EPLY 7.25% PREF.	22.00	4.80	27.91%	PJX	9.00	(1.61)	-15.17%
JMMBGL 7.00NC PREF.	2.90	0.44	17.89%	MTL	16.62	(2.93)	-14.99%

(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 Unlimited 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%