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Shifting Supply Chain Patterns & Their Likely Implications

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ANALYST INSIGHT

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Shifting Global Supply Chain Patterns & Their Likely Implications

Introduction

In the past two decades before the pandemic, China has undeniably had a major impact on the global supply chain and continues to exert an outsized influence. China has grown to become the world's central manufacturing hub. The strength of China's impact on the global supply chain is evidenced by the nearly 29% of global manufacturing that they had accounted for in 2019. As China has grown to become the world's manufacturing capital, several industries with a global footprint have grown to become heavily reliant on China. The current global supply chain model, despite a long history of relative stability, has revealed its vulnerabilities as a result of the pandemic. Some of these vulnerabilities have been ignored over the years and have now been brought back into focus. The health of the global supply chain affects us all and as such, shifting patterns require careful analysis.

China's Selling Point

China's rise as a dominant player in global manufacturing and export has been driven by its ability to carry out lean manufacturing processes which have enabled its ability to compete effectively globally. China's competitive advantage lies in its ability to operate with a low cost of labour, accommodative manufacturing regulation, low taxes , competitive currency practices and their large population which provides them with a significant labour force. All of these factors have enabled China to effectively produce goods for a broad range of industrial processes at far cheaper rates. Over the last three decades, this has led to a shift in manufacturing from several countries to China and other eastern countries with similar conditions, as companies seek to capitalize on lower costs to improve their margins and profitability.

Vulnerabilities With The Current Supply Chain Framework

Before the start of the pandemic, several vulnerabilities existed within the global supply chain framework that has been overlooked, especially by western countries. One of the main vulnerabilities that have been identified is that of supply chain concentration. This concentration places several global retail and industrial processes at great risk in the event of a manufacturing fallout in China. This was made evident by the pandemic, as the implementation of Covid containment measures led to an interruption in manufacturing processes and ultimately exports. The second vulnerability that exists in the current operating paradigm is that of the lead time between China and the West. It takes on average two weeks by sea to get from China to the US east coast and then the ship must anchor at the harbour for the next week. This protracted lead time between the manufacturers and consumers can make a recovery from shortages difficult. The third vulnerability within the model lies in geopolitics, as many countries run the risk of their supply chains being affected should they develop geopolitical tensions with China as their political system is far different from that of the west. These vulnerabilities no doubt pose a great risk to the stability of supply enjoyed pre-Covid.

Supply Chain of The Future

However, given the vulnerabilities listed above and using data gathered from surveys conducted with global supply chain managers, it is evident that there will be change. Data gathered from technological research firm, Gartner, has shown that 30% of supply chain managers that were interviewed indicated that they have begun changing their supply chain model. The changes that they have begun undertaking involve shifting from reliance on a global supply chain model to that of a regional supply chain model. This means that instead of having their manufacturing operation located in China, they have begun looking to bring their manufacturing closer to their end markets. Also, 63% of companies interviewed indicated that they have begun switching to multi-sourcing of materials to widen their supply base.

Likely Impact

One of the main benefits that had prompted companies to pivot to China for manufacturing has been its ability to offer lower costs and this has served as one of the most attractive features. However, if the supply chain apparatus were to shift closer to higher cost end markets, this could result in retailers facing increased costs which will ultimately be borne by consumers.

Conclusion

In conclusion, despite its ability to offer competitive costs of manufacturing, the attractiveness of China as a manufacturing hub is being re-evaluated by many companies, as we emerge from the pandemic. Already, there has been a shift in supply chain operation by some entities. While it's still early, the new supply chain paradigm could very well result in upward cost pressures with a shift away from China as companies seek to reduce lead times and diversify their supplier relations to more efficiently keep up with demand and maximize customer satisfaction.

Investment Playbook

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Equities

Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
WISYNCO Wisynco Group Limited	P/E: 23.98x P/B: 5.12x Price: $23.50 Div Yield: 1.28%	**OVERWEIGHT** Throughout the pandemic, Wisynco has managed to improve its operational efficiency but given the effects of COVID-19 on industries such as tourism and education, the Company was unable to deliver significant revenue growth. Now, with tourism rebounding and schools operating at a greater level, Wisynco has married its improved operational efficiency with stronger revenue growth, allowing for significant net profit growth. As tourism is expected to continue growing towards its pre-pandemic level of output, we expect Wisynco to continue to perform well. Wisynco Equity Report
JMMBGL JMMB Group Limited	P/E: 7.52x P/B: 1.37x Price: $45.87 Div Yield: 1.85%	**OVERWEIGHT** Given its relatively low P/E ratio and considering the Group's consistently strong performance throughout the pandemic, the market has been underpricing JMMBGL significantly, relative to its local counterparts. In recognition of this, the JMMBGL Directors approved a share buyback program which should begin in FY2022/23 which begins on April 1, 2022. Share buyback programs reduce the number of shares outstanding. As the supply of shares in the market reduces from the share buyback, share price increase is likely to follow as demand for the stock outweighs supply. JMMB Equity Report
MASSY Massy Holdings Limited	P/E: 10.38x P/B: 1.23x Price: J$ 98.92 Div Yield: 2.70%	**OVERWEIGHT** Massy Holdings Limited. (MHL, Massy), through its portfolio companies, engages in trading, manufacturing, distribution, and service industry businesses throughout the Caribbean region. The company operates through three portfolios: Integrated Retail, Gas Products, Motors, and Machine and two business lines: Financial Services, and Strategic and Other Investments. In financial year 2020, Massy transitioned from a Conglomerate to an Investment Holding Company. By so doing, Massy's strategy has changed, with the Group focusing mainly on its core portfolios. These core areas of the business represent Massy's competitive advantages, are well-positioned to scale, and are therefore expected to drive strategic growth going forward. Massy Equity Report

Ratings Definitions

OVERWEIGHT/BUY
Exposure to this asset should be between 5% and 10% of your total portfolio

MARKETWEIGHT/HOLD
Exposure to the asset should be equal to 5% of your total portfolio

UNDERWEIGHT
Reduce exposure in your portfolio to less than 5% for this particular asset

SELL
Reduce exposure in your portfolio to zero

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Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
LASD Lasco Distributors	P/E: 13.00x P/B: 1.69x Price: J$ 3.50 Div Yield: 1.86%	**OVERWEIGHT** Our expectation is for the Company to continue on its growth trajectory, supported by the improving economic backdrop of the global economy, which should manifest through continued domestic demand for goods and services. With increased stopover arrivals and the reopening of key industries such as entertainment and education (face-to-face teaching), there are sufficient catalysts to spur further growth in 2022. However, this isn't without challenges as the global supply bottleneck has affected LASD's margins. In response, management has prudently managed operational costs such that higher imported inflationary has not completely eroded the bottom line, resulting in continued growth. Lasco Distributors Equity Report
SCIJMD/ SCIUSD Sygnus Credit Investments	P/E: 8.28x / 10.60x P/B: 0.58x / 0.75x Price: J$15.02 / US$0.12 Div Yield: 2.39% / 2.01%	**OVERWEIGHT** Sygnus' business model is built on providing capital and direction to the underbanked, targeting the middle market. To accomplish this, the Company has executed several equity raises, the most recent of which was its APO launch in December 2020. Given the increase in its weighted average number of shares, EPS growth has not mirrored the double digit growth in net profit attributable to shareholders. However, we must indicate that continued growth at this level will drive higher EPS growth, once further dilution does not occur. Moreover, the stock trades at significant discount relative to peers both from a P/E perspective and a P/B perspective. At present, the market is pricing Sygnus at a seep discount to its book value per share which we believe is very wrong.
TROPICAL **Tropical Battery Limited**	P/E: 30.23x P/B: 3.92x Price: J$ 2.66 Div Yield: 0.38%	**OVERWEIGHT** Tropical Battery has been aggressively pursuing revenue diversification strategies, to reduce its dependence on auto battery and accessory sales. This is evident by the company's recent launch of three new subsidiaries aimed at providing renewable energy solutions for commercial customers. In addition, the company recently implemented a new inventory management system that has yielded improved operational efficiencies in addition to targeted sales initiatives that have improved revenue growth. We believe that the Company will continue to grow as they build out new revenue lines, improve operational efficiencies and drive targeted sales initiatives. Tropical Battery Equity Report
VMIL Victoria Mutual Investments Limited	P/E: 16.21x P/B: 2.28x Price: $6.16 Div Yield: 2.52%	**OVERWEIGHT** Victoria Mutual has recently rebranded under the "VM Group". By association, there has been implications for VMIL. For example, the Company has been significantly more active in the capital markets through its investment banking arm. We expect continued growth in the investment banking space will add considerable value to the Company's bottom line which has already shown clear improvement throughout FY2021. VMIL Equity Report

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Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
Lumber Lumber Depot Limited	P/E: 13.19x P/B: 5.74x Price: J$ 3.56 Div Yield: 1.69%	**OVERWEIGHT** Lumber represents an option to gain exposure to the construction sector which has been a relatively resilient and fast-growing sector. With this sector tailwind, lumber has shown strong revenue growth since its 2019 listing and the current Trailing Twelve Months(TTM) profits is 28.6% higher than financial year 2021 earnings. While there were however hiccups in the last 6 months earnings which was impacted by a combination of lock down restrictions and rising input costs respectively for Q1 and Q2, we are still monitoring how the company progresses given the loosening of restrictions and continued growth in the construction sector. We also note that despite the growth it has shown over the last 2 years, the stock still trades at an attractive PE compared to Junior market peers. Lumber Equity Report
PROVEN JMD/PROVEN USD Proven Investment Limited	P/E: 11.14x/10.90x P/B: 1.10x/1.07x Price: J$36.77/ US$0.25 Div Yield: 3.18% / 3.12%	**OVERWEIGHT** Proven has shown strong revenue and profit growth throughout the current financial year, a performance-driven by the Group's accretive acquisitions. Most notable among these include JMMBGL and Roberts Manufacturing Company Limited. The company continues to demonstrate its appetite for growth through acquisitions as evidenced by the recent 100% acquisition of Fidelity Bank(Cayman). Given the company's history of acquiring companies with accretive value, we expect Fidelity will be similar. Coupled with this, we believe Proven is trading at favorable PE and PB multiples relative to the market.
LAB The Limners and Bards Limited	P/E: 19.58x P/B: 5.71x Price: J$ 3.22 Div Yield: 3.42%	**OVERWEIGHT** The LAB is the only listed Creative Agency on the JSE. Throughout the pandemic, the demand for the services provided by the Company has been strong. In FY2021 alone, revenue grew by 35%, an indication of the demand for the Company's services while net profit grew by 22%. With consistently positive cash flows and a cash balance that is 1.36x larger than the Company's current liabilities, we believe the Lab is poised to invest its capital efficiently towards further growth. The first step towards this is the Lab's brainchild, "SCOPE Caribbean". To date, SCOPE has not been profitable which has negatively impacted the Lab's net profit growth. This is not abnormal for a new business, and we expect this should turnaround as the business scales. The LAB Equity Report
LASM Lasco Manufacturing	P/E: 14.04x P/B: 2.47x Price: J$ 5.25 Div Yield: 1.38%	**MARKETWEIGHT** Our expectation is for the Company, like others, to continue benefiting from an improving economic backdrop. However, there has been a clear revenue growth slowdown in the most recent quarterly result, coupled with reduce gross profit margins throughout FY2022, owing to global supply chain issues and a higher effective tax rate as Lasco no longer benefits from the Junior Market tax incentive. Lasco Manufacturing Equity Report

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Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
SEP Seprod Limited	P/E: 16.15x P/B: 2.53x Price: J$ 61.86 Div Yield: 2.10%	**MARKETWEIGHT** Seprod has been considerably affected by global supply chain issues that have increased the Company's cost of sales. While this has occurred, instead of raising prices to consumers equivalently, Seprod has absorbed some of these costs which has affected profitability. To help mitigate this, the Group has improved its operational cost management which has had positive implications on the performance. Notwithstanding, the cost of sales remains elevated, and has only trended upwards throughout FY2021, with no clear methods to manage or reduce the current pace of the increase. Therefore, while we expect current operational cost controls to help, the uncertainty regarding cost of goods remains an ever-present threat to Group profit growth, especially given the current inflationary environment. Seprod Equity Report
MAILPAC Mailpac Group Limited	P/E: 20.69x P/B: 11.91x Price: J$ 3.31 Div Yield: 3.32%	**MARKETWEIGHT** During the peak periods of the pandemic, MAILPAC benefited immensely as online shopping became a larger share of shoppers' wallets. In large part, this period of heavy COVID-19 fear has reduced and while we anticipate online shopping will remain integral for the everyday consumer, the outsized growth we witnessed in FY2020 will likely soften further. Admittedly, the Company has a robust balance sheet with more cash than total liabilities which we believe places MAILPAC in a position to make growth-inducing investments. The current slowdown in demand and consequently revenue and profit growth, matched with the Company's strong balance sheet underscores our MARKETWEIHT recommendation MailPac Equity Report
SGJ Scotia Group Jamaica Limited	P/E: 12.92x P/B: 0.94x Price: J$ 35.00 Div Yield: 4.43%	**MARKETWEIGHT** The greatest driver of profitability in FY2021 was the reduction of Expected Credit Losses (ECL) relative to the previous year as the economic backdrop improved. Scotia is not likely to have this benefit recur to the magnitude it did in FY2021. This, coupled with no clearly communicated path to growing its main revenue lines in an industry that is highly competitive presents obvious challenges for the Group. However, Scotia has two major positives. The first is that the current rising interest rate environment supports the Group's bank model, more so than other listed financial institutions. The second is that SGJ is a consistent source of relatively attractive dividends which makes the Company a good asset for investors with a clear preference for income. Scotia Group Equity Report

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FTNA Fontana Limited	P/E: 25.98x P/B: 6.85x Price: J$ 10.91 Div Yield: 1.65%	**MARKETWEIGHT** Fontana has been growing and expanding since listing on the junior exchange in 2019. The Company has plans to expand, which includes a new outlet to bring their stores to a total of seven locations. In its most recent quarter, Net Profit saw a marginal increase of 0.1% due largely to the impact of FX losses. Further, cost of sales has been impacted given the current inflationary environment and is likely to continue being affected in the near to medium term. However, the company continues to grow organically and is financially positioned to do so. Due to the current environment and exposure to FX liabilities, profitability could dampen in the near term but in the long term, the addition of its new outlet could support growth. On balance, the Company has both significant risks and the potential for upside, which underscores our recommendation. Fontana Equity Report
GK GraceKennedy Limited	P/E: 12.68x P/B: 1.54x Price: J$ 104.89 Div Yield: 1.84%	**MARKETWEIGHT** For their financial year ended December 2021, the company reported growth in both their top and bottom line. Revenues increased by 12% and profit increased by 32%. Now, the company has indicated several transactions in their pipeline, including a few in insurance, one in fintech and others outside of Jamaica. These acquisitions stand to add more diversity and growth to the company's earnings. Grace Kennedy Equity Report
SVL Supreme Ventures Limited	P/E: 31.08x P/B: 19.00x Price: J$ 32.78 Div Yield: 2.44%	**MARKETWEIGHT** Supreme Ventures is the market leader in the lottery and gaming industry. The company has also in recent years embarked on an aggressive growth strategy through several acquisitions (Champion Gaming and Post To Post Betting). The company would have been impacted by the pandemic as the lockdown measures impacted its operations at Caymanas Park. With the easing of restrictions, the Company should benefit from an easing of lock down restrictions and a normalization of business. Despite this, in the medium term we note that the company now has competition in the lottery segment of the market which may negatively impact margins. The degree to which this might impede the pace of revenue growth will however depend on the take up of new games such as Scratchaz which, at present, seems popular amongst younger consumers as it is a new addition to the Company's product offerings. Supreme Ventures Equity Report

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Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
ECL Express Catering Limited	P/E: 11.86x P/B: 20.72x Price: J$ 5.11 Div Yield: N/A	**UNDERWEIGHT** With the ongoing recovery of the tourism industry, we believe ECL's revenues will increase year over year. However, the Company is not currently operating at pre-covid efficiency levels, as price increases due to the current global supply chain challenges have driven higher costs across all product categories. Consequently, there has been a clear deterioration of the Company's profit margins. Higher cost of goods has had implications for the Company's profitability and while we expect continued growth in the tourism industry will drive higher revenue, we also expect the inflationary environment to present challenges for the Group's profitability. ECL Equity Report

Monitoring List

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Stock Ticker	Stock Information (As of April 22, 2022)	Analyst Outlook
MDS Medical Disposable Supplies	P/E: 12.10x P/B: 1.48x Price: J$ 6.05 Div Yield: 1.16%	Medical Disposables and Supplies have quietly been diversifying its revenue streams over the last 2 years. This is inclusive of its purchase of 60% of Cornwall Medical and Dental Supplies(CMDL) which has been consolidated into the company's financials as of their second quarter 2021. This increases the company's exposure to the dental supplies space and expands their reach into the western end of the island. The company has also shifted to providing more confectionary products and we believe its expansion and diversification efforts are worth watching.
JBG Jamaica Broilers Group	P/E: 11.08x P/B: 1.65x Price: J$ 28.47 Div Yield: 1.51%	The Jamaica Broiler's group has effectively decreased the size of its Haiti operations which has been weighing on performance for the last few quarters. This when coupled with the Group's expansion efforts into the United States may provide tailwinds for increased profitability going forward.
SOS Stationery & Office Supplies	P/E: 18.44x P/B: 2.93x Price: J$ 7.93 Div Yield: 2.02%	Stationery and Office Supplies presents investors with another option to benefit from the reopening of the domestic economy. A core segment of their business would have suffered from the lockdown measures and work from home, namely the sale of furniture and its SEEK line of books. However, during that period stationary sales have done well to fill that revenue gap. With the resumption of economic activity, the return to office and the expansion in the BPO sector, SOS might be a large beneficiary in 2022.
SJ Sagicor Group Jamaica Limited	P/E: 12.42x P/B: 1.61x Price: J$ 55.39 Div Yield: 2.00%	Sagicor Group Jamaica Limited would have been adversely impacted by the pandemic even more so than the typical financial sector company due to their exposure to the tourism sector. This would have therefore led to sizeable impairment losses on their investment in associated companies (I.e., Playa Hotel and Resorts). For 2022 we therefore expect to see some amount of recovery as the group has disposed of their investments in Playa which will stem impairment losses while simultaneously still having direct exposure to travel through their US resort (The Hilton DoubleTree) while their banking services should benefit from a pickup in economic activity.

The "Monitoring List" includes stocks that are on our radar as our initial expectation for these companies is positive. However, no official recommendation is presented as these stocks are still being evaluated.

Unit Trust

Unit Trust Fund	20/03/2022	14/03/2022	Week/Week Return	1 Year Return	Year-to-Date Return	Yield
Capital Growth	99.4584	97.6213	1.88%	10.94%	8.16%	-
Money Market	15.0925	15.2566	-1.08%	0.73%	-0.87%	2.63%
Income Portfolio	100.0000	100.0000	0.00%	-	-	2.58%
FX Bond Portfolio (US$)	1.3563	1.3582	-0.14%	0.14%	-1.59%	2.96%
Real Estate Portfolio	5544.8374	5,536.9693	0.14%	-7.04%	4.61%	-
FX Growth Portfolio	0.9899	0.9800	1.01%	-3.05%	-8.51%	-

"Someone's sitting in the shade today because someone planted a tree a long time ago."

Warren Buffett

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LOCAL EQUITY MARKET

For the week ended April 22, 2022, the local stock market increased week-over-week. The JSE Combined Index grew by 1.92%, the Main Market Index increased by 1.84%, the JSE Junior Market Index advanced by 2.74%, and the JSE USD Equities Index improved by 0.93%. During the week, ICreate Limited was the biggest gainer, gaining 145.97% to close at $3.05. The biggest decliner was SSL Venture Capital Ltd, which declined by 11.35% to close at $1.64.

Year to Date, with the ongoing rebound in the local economy, small-cap stocks, reflecting those listed on the Junior Market Index have continued the strong performance seen in 2021, growing by 27.47% YTD, outpacing its Main Market counterpart (1.41% YTD) by a wide margin.

For the week ended Friday April 22, 2022, Overall Market activity resulted from trading in 63 stocks of which 26 advanced, 29 declined and 8 traded firm.

The JA$ Market Volume (excluding blocks) amounted to 115,514,995 units valued at $909,675,258.77. The US$ Market Volume (excluding blocks) amounted to 4,995,031 units valued at $95,268.09.

Revisiting relevant news during the week:

As Kingston Properties Limited (KPREIT) waits on subscriptions for its additional public offering (APO) to roll in, some brokers have published their research on the $7.50 price being offered relative to their valuations and expectations based on the underlying environment.

KPREIT APO gets green light from brokers

DERRIMON Trading looks to settle down and build out its recently acquired companies while having an eye out for other strategic acquisitions. The company recently completed the acquisitions of Arosa and Spicy Hill Farms. "When we settle down, in two years we want to double what we are doing right now [in terms of sales]," Derrick Cotterell, CEO and chairman of Derrimon Trading, told the Jamaica Observer in response to questions about Spicy Hill Farms. "We are laying the base now," he continued.

Derrimon Trading is ready for growth

FOSRICH is set to consider raising new equity capital at its board meeting set for next Thursday. With big ambitions to grow the company's top line by 80 per cent in 2022, FosRich's board will deliberate whether the company will raise equity via a rights issue or additional public offering (APO). The deliberations will also consider an increase in the authorised share capital and use of a stock split to increase the number of shares in circulation.

FosRich hunting fresh capital

Fontana Limited is investing US$1 million in the development of a store next door to the recently-opened PriceSmart in Portmore, St Catherine. Anne Chang, CEO of Fontana, confirmed that the store will be the pharmacy chain's seventh location. Chang told the Jamaica Observer that construction has already started on land which is leased and that estimated development cost is in the region of US$1 million ($155 million), although "there might be fluctuations."

Fontana plans new store in Portmore

Index	22/04/2022	14/04/2022	31/12/2021	Week/Week	Year-to-Date
JSE Main Market	401,741.38	394,486.85	396,155.61	1.84%	1.41%
JSE Junior Market	4,369.94	4,253.26	3,428.30	2.74%	27.47%
JSE Combined Market	414,921.64	407,093.73	401,130.23	1.92%	3.44%
JSE USD Equities Market	223.49	221.43	195.51	0.93%	14.31%
JSE Financial Index	94.42	93.42	98.05	1.07%	-3.70%
JSE Man & Dis Index	113.07	112.01	100.38	0.95%	12.64%

INTERNATIONAL DEVELOPMENTS

US

The major U.S. equity indexes ended the week lower. The Russell 1000 Growth Index stocks gave up more ground than its value counterpart, while the large-cap S&P 500 Index posted steeper losses than the S&P SmallCap 600 Index and the S&P MidCap 400 Index. Within the S&P 500, the communication services sector pulled back the most. Shares of Netflix tumbled more than 35% during the week, as the company reported disappointing quarterly results that were headlined by a sequential decline in its global subscriber rolls. Only the consumer staples sector gained ground.

Purchasing managers' indexes (PMIs) signal expansion, but inflation poses challenges

Preliminary data for the S&P Global U.S. Composite PMI Output Index, which tracks the manufacturing and services sectors, suggested that growth in business activity slowed in April but remained strong. The widely watched economic indicator came in at 55.1 compared with 57.7 in March. (PMI readings greater than 50 indicate an expansion in business activity.)

Europe

Shares in Europe fell amid ongoing concerns about the war in Ukraine and increased hawkishness among central bank policymakers. In local currency terms, the pan-European STOXX Europe 600 Index ended 1.42% lower. The main market indexes were mixed. Germany's DAX Index and France's CAC 40 Index were little changed, but Italy's FTSE MIB Index lost 2.34%. The UK's FTSE 100 Index pulled back 1.24%.

Core eurozone bond yields ended higher, as hawkish comments from policymakers at key central banks drove a broad sell-off in high-quality government bonds. Peripheral eurozone and UK government bond yields largely tracked core markets.

Japan:

Japan's stock markets rose modestly over the week, with the Nikkei 225 Index returning 0.04%, and the broader TOPIX Index gaining 0.47%. Consumer price inflation continued to lag other major developed economies—the core consumer price index was up 0.8% year on year in March—and remained a key factor behind the Bank of Japan's (BoJ's) continued pursuit of its ultra-loose monetary policy.

With the yen hovering around a two-decade low against the U.S. dollar, BoJ Governor Haruhiko Kuroda said that the negative effects of a weak currency, including the increased difficulty in companies' business planning, need to be taken into account. The yen finished the week at around JPY 128.49 against the U.S. dollar compared with the previous week's JPY 126.44. The BoJ bought Japanese government bonds (JGBs) to defend the upper limit of its interest rate target range and announced fresh bond-buying plans. The yield on the 10-year JGB finished the period broadly unchanged at 0.24%.

China

Chinese markets slid as investors worried about the economic fallout from coronavirus lockdowns after officials said tough restrictions would remain in place. The CSI 300 Index, which tracks the largest listed companies in Shanghai and Shenzhen, fell 4.2% this week in its worst five-day performance since mid-March, according to Bloomberg.

Fed Chair Powell's comments that a half-point U.S. rate hike was "on the table" when the central bank meets in May pressured China's bonds and currency. The yield on the 10-year Chinese government bond rose to 2.88% from 2.818% a week ago, while the yuan struck a seven-month low of 6.47 against the U.S. dollar, down 1.8% for the week.

T.RowePrice Market Update

Index	22/04/2022	14/04/2022	31/12/2021	Week/Week	Year-to-Date
Dow Jones	33,811.40	34,451.23	36,338.30	-1.86%	-6.95%
S&P 500	4,271.78	4,392.59	4,766.18	-2.75%	-10.37%
NASDAQ 100	13,356.87	13,913.92	16,320.08	-4.00%	-18.16%
FTSE 100	7,521.68	7,611.33	7,384.54	-1.18%	1.86%
Euro Stoxx 50	3,840.01	3,848.68	4,298.41	-0.23%	-10.66%

ABOUT US

Barita Investments Limited, is a publicly traded company on the JSE, 74.3% owned by Cornerstone Financial Holdings Limited ("Cornerstone"). Founded by Rita Humphries-Lewin in 1977, the Company has the distinction of being the oldest stockbrokerage in Jamaica. The Company is licensed by the FSC as a Securities Dealer, is a member dealer of the JSE and is a Primary Dealer and Cambio Dealer for the Bank of Jamaica ("BOJ").

Barita, home of one of Jamaica's top performing equity funds, has a legacy of excellence, and is recognized as established in relation to middle market retail segment products and for Unit Trust performance.

Products and services include:

- Cambio Trading
- Fixed Income Trading
- Stock Brokerage
- Pooled Funds Management
- Structured Products
- Retirement Planning
- Wealth Management
- Investment Banking

Through its subsidiary, Barita Unit Trusts Management Company Limited ("BUTM"), Barita currently offers six (6) unit trust products spanning fixed income, equities and real estate.

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