Understanding Market Expectations Using The VIX

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ANALYST INSIGHT

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Introduction

You may have heard pundits in the financial media talk about the VIX or "fear" index and it may seem a bit esoteric, with the discussion reliant on industry jargon with little explanation of what it really means in simple terms. Professional investors rely on a broad range of tools and data sources as they seek to stay ahead of the market and the VIX may shed some light on the general expectations of market participants. In this article we'll explore what the VIX is, what it means for investors in the market and how to possibly make more informed decisions about risk using this tool.

What Is The VIX

The VIX is short for the Chicago Board Options Exchange (CBOE) Volatility Index and it is a real-time measure of expectations of how much the stock market will move around relative to its average over roughly the next thirty days. As such, it is not intended to provide insight on the direction of the market, but how volatile it is expected to be as the name suggests. Therefore, a higher VIX reading implies a greater expectation of change in price in the short-term, whether higher or lower and vice-versa.

The index is calculated based on the prices of options on the S&P 500 index (SPX) which is often seen as a proxy for the overall market due to the scale of the companies that comprise the index. Options are contracts that give the holder the right but not the obligation to buy or sell a particular security, at a specified price, up to, or on the contract's expiration date. As such, in a sense, options function as "insurance" on a security's price movement. That being the case, if traders expect larger movements in stocks, they will be willing to pay a higher price for this insurance. The expected volatility can be calculated using the price, time to expiration and other market data. Using a basket of SPX options with an expiry of more than 23, but less than 37 days, a weighted average annualized volatility is calculated, which can be interpreted as the expected standard deviation of the SPX.

What It Means for Investors

As stated above, the VIX is an annualized figure, therefore the true one month expected move will have to be estimated from it. To do this we divide the annualized figure by the square-root of twelve to get a monthly estimate. Therefore, if the VIX is at 15, this means that based on SPX option prices, the market is expecting a one standard deviation move of roughly 4.33% for the month. Expressed differently, the market is expecting that there is approximately a 68% chance that the change in the SPX will be within 4.33% and a 95% chance that the change will be within 8.66%, which represents two standard deviations.

How To Interpret The VIX

There tends to be a negative relationship between the VIX and the S&P 500 as most investors are long-only and do not short sell. Therefore, the demand for insurance will be skewed towards protecting downside moves in stocks. Against this backdrop, low or declining readings in the VIX are associated with relative calm in the markets, indicating the markets are entering a period of relative stability and it may be ideal to skew your portfolio more towards individual names or other riskier assets that will likely perform well in a growing market. On the other hand, a high or increasing VIX may be a sign of heightened uncertainty ahead and it may be ideal to reduce exposure to risk assets in favour of cash and short-term securities. As an example, in February 2020 the VIX rose from 18.64 to close the month at 40.11 as COVID-19 spread rapidly across the globe with little clarity on how severe it would ultimately be. As the VIX continued to surge so too did the drawdown of the S&P 500, registering a fall of 8.41%, while the market was almost flat in January. In March, as conditions worsened, we saw the VIX reaching as high as 85.47, the highest outturn since the global financial crisis. Again, as the VIX exploded higher so too did the acceleration in the market decline, falling as much as 26.30% before it began its recovery.

Conclusion

The VIX can be a useful tool in gauging general market sentiment and investor confidence. Notwithstanding, It is important to note that this metric is not a crystal ball and there is no way to definitively predict the stock market using any one indicator. It is still important to understand the broader economic backdrop and the key driving factors affecting a security in deciding to make an investment decision.

Investment Playbook

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Equities

Stock Ticker	Stock Information (As of May 6, 2022)	Analyst Outlook
WISYNCO Wisynco Group Limited	P/E: 25.22x P/B: 5.54x Price: $25.72 Div Yield: 1.17%	**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: 7.67x P/B: 1.39x Price: $46.80 Div Yield: 1.82%	**OVERWEIGHT** Given its relatively low P/E ratio and considering the Group's consistently strong performance throughout the pandemic, the market has been underpricing JMMBGL significantly, relative to its local counterparts. In recognition of this, the JMMBGL Directors approved a share buyback program which should begin in FY2022/23 which begins on April 1, 2022. Share buyback programs reduce the number of shares outstanding. As the supply of shares in the market reduces from the share buyback, share price increase is likely to follow as demand for the stock outweighs supply. JMMB Equity Report
MASSY Massy Holdings Limited	P/E: 10.41x P/B: 1.25x Price: J$ 98.83 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 May 6, 2022)	Analyst Outlook
LASD Lasco Distributors	P/E: 12.96x P/B: 1.69x Price: J$ 3.49 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: 9.26x / 11.07x P/B: 0.65x / 0.78x Price: J$16.79 / US$0.13 Div Yield: 2.14% / 1.92%	**OVERWEIGHT** Sygnus' business model is built on providing capital and direction to the underbanked, targeting the middle market. To accomplish this, the Company has executed several equity raises, the most recent of which was its APO launch in December 2020. Given the increase in its weighted average number of shares, EPS growth has not mirrored the double digit growth in net profit attributable to shareholders. However, we must indicate that continued growth at this level will drive higher EPS growth, once further dilution does not occur. Moreover, the stock trades at significant discount relative to peers both from a P/E perspective and a P/B perspective. At present, the market is pricing Sygnus at a seep discount to its book value per share which we believe is very wrong.
TROPICAL **Tropical Battery Limited**	P/E: 30.91x P/B: 4.01x Price: J$ 2.72 Div Yield: 0.37%	**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: 16.05x P/B: 2.26x Price: $6.10 Div Yield: 2.54%	**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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Lumber Lumber Depot Limited	P/E: 12.63x P/B: 5.50x Price: J$ 3.41 Div Yield: 1.76%	**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: 11.47x/11.33x P/B: 1.13x/1.12x Price: J$37.88/ US$0.26 Div Yield: 3.09% / 3.00%	**OVERWEIGHT** Proven has shown strong revenue and profit growth throughout the current financial year, a performance-driven by the Group's accretive acquisitions. Most notable among these include JMMBGL and Roberts Manufacturing Company Limited. The company continues to demonstrate its appetite for growth through acquisitions as evidenced by the recent 100% acquisition of Fidelity Bank(Cayman). Given the company's history of acquiring companies with accretive value, we expect Fidelity will be similar. Coupled with this, we believe Proven is trading at favorable PE and PB multiples relative to the market.
LAB The Limners and Bards Limited	P/E: 19.58x P/B: 5.71x Price: J$ 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: 13.66x P/B: 2.41x Price: J$ 5.11 Div Yield: 1.42%	**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 May 6, 2022)	Analyst Outlook
SEP Seprod Limited	P/E: 27.07x P/B: 2.30x Price: J$ 73.62 Div Yield: 1.77%	**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: 19.13x P/B: 11.01x Price: J$ 3.06 Div Yield: 3.59%	**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: 12.97x P/B: 0.95x Price: J$ 35.16 Div Yield: 4.41%	**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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Stock Ticker	Stock Information (As of May 6, 2022)	Analyst Outlook
FTNA Fontana Limited	P/E: 23.93x P/B: 6.42x Price: J$ 10.77 Div Yield: 1.67%	**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: 12.99x P/B: 1.58x Price: J$ 107.39 Div Yield: 1.80%	**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: 28.24x P/B: 17.27x Price: J$ 27.08 Div Yield: 2.69%	**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 May 6, 2022)	Analyst Outlook
ECL Express Catering Limited	P/E: 14.37x P/B: 25.10x Price: J$ 6.19 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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Equities

Stock Ticker	Stock Information (As of May 6, 2022)	Analyst Outlook
MDS Medical Disposable Supplies	P/E: 13.80x P/B: 1.69x Price: J$ 6.90 Div Yield: 1.01%	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: 11.19x P/B: 1.67x Price: J$ 28.77 Div Yield: 1.49%	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: 22.09x P/B: 3.51x Price: J$ 9.50 Div Yield: 1.68%	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: 11.79x P/B: 1.65x Price: J$ 55.30 Div Yield: 2.01%	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	05/05/2022	28/04/2022	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	103.89	101.44	2.41%	12.98%	12.97%	-
Money Market	15.1825	15.2228	-0.26%	-0.27%	0.96%	2.30%
Income Portfolio	100.00	100.00	-	-	-	3.34%
FX Bond Portfolio (US$)	1.3484	1.3542	-0.43%	-2.17%	-0.88%	2.67%
Real Estate Portfolio	5,553.45	5,556.26	-0.05%	4.77%	0.22%	-
FX Growth Portfolio	0.9588	0.9356	2.48%	-11.39%	-5.67%	-

"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

The local market was mixed for the week ended May 6, 2022, with the JSE Combined Index increasing by 0.15%, the Main Market Index decreasing by 0.04%, the JSE Junior Market Index gaining 1.92%, and the JSE USD Equities Index falling 1.24%. During the week, Access Financials Limited was the biggest gainer, rising 22.37% to close at $25.11. The biggest decliner was Consolidated Bakeries Jamaica Ltd, which declined by 11.51% to close at $1.23.

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 32.34% YTD, outpacing its Main Market counterpart (1.40% YTD) by a wide margin.

For the week Overall Market activity resulted from trading in 118 stocks of which 56 advanced, 58 declined and 4 traded firm. Market volume amounted to 151,166,167 units valued at over $1,524,143,590.28.

The following companies represent the overall volume leaders: -

1. Future Energy Source Company Ltd Ordinary shares with 29,681,938 units (19.31%)
2. Wigton Windfarm Limited Ordinary Shares with 9,529,899 units (6.20%)
3. TransJamaican Highway Limited with 9,125,058 units (5.94%)

Revisiting relevant news during the week:

On the heels of Sygnus Credit Investments Limited (SCI) acquisition of Puerto Rico-based Acrecent Financial Corporation in December 2021, the Sygnus Capital Group will not only be expanding its alternative investment platform through Puerto Rico but will expand its investment banking capabilities to Puerto Rico as well as the wider Caribbean region.

Sygnus targets investment banking growth in region

JN Group, the dominant private provider of mortgage loans through JN Bank, initiated the discussion on the latest developments in fintech and blockchain technology, wanting to know how technology, such as the metaverse, can create space for rich user interaction online and drive business.

JN looking to the metaverse for local business opportunities.

The US dollar's value surged in April as investors sought refuge amid the United States Federal Reserve's aggressive shift to fight rising inflation. Rising inflation that has caused the biggest jump in prices in 40 years has spurred the Federal Reserve to aggressively raise interest rates, which increases demand for US dollars. The US dollar is also the world's reserve currency and is considered a safe haven in times of global economic stress.

Dollar surges to two-decade high as investors seek refuge.

Another global recession is looming and appears inevitable, a panel warned on Wednesday during a forum, convened by financial conglomerate Sagicor Group, to brief investors on investment strategies and world geopolitical and economic developments.

Diversify and save for recession, Sagicor panel briefs investors.

Blue Power Group shareholders approved the expansion of the company's board this week, amid plans by the soap maker for possible acquisitions.

The company will add two board seats, moving from eight to 10, paving the way its founder and executive director, Dr Dhiru Tanna, to eventually transition and for the appointment of new executive leadership.

More leadership changes ahead for Blue Power.

Index	06/05/2022	29/04/2022	31/12/2021	Week/Week	Year-to-Date
JSE Main Market	401,715.42	401,858.38	396,155.61	-0.04%	1.403%
JSE Junior Market	4,537.15	4,451.62	3,428.30	1.92%	32.34%
JSE Combined Market	416,382.22	415,756.52	401,130.23	0.15%	3.80%
JSE USD Equities Market	223.73	226.55	195.51	-1.24%	14.43%
JSE Financial Index	93.33	94.68	98.05	-1.43%	-4.81%
JSE Man & Dis Index	117.31	114.83	100.38	2.16%	16.87%

INTERNATIONAL DEVELOPMENTS

US

Most of the major stock market indices endured a fifth consecutive week of losses as interest rate and inflation worries continued to weigh on sentiment, especially toward growth stocks. The losses briefly pushed the Dow Jones Industrial Average into correction territory, down more than 10% from its recent highs, where it joined the S&P 500 and S&P MidCap 400 indexes. The Nasdaq Composite and the small-cap Russell 2000 Index ended the week firmly in bear markets, down more than 25%.

Markets were especially volatile late in the week, although the Cboe Volatility Index (VIX) remained slightly below the intraday levels briefly seen in late January. T. Rowe Price traders also noted that the market did not appear to have difficulty with what were expected to be record flows of exchange-traded funds as investors unwound leveraged positions.

Wall Street had been bracing for a week of volatility given the Federal Reserve's highly anticipated policy meeting on Tuesday and Wednesday, along with several important economic data releases. On Wednesday afternoon, Fed policymakers announced a 50-basis-point (0.50 percentage point) increase in the federal funds target rate, the largest since 2000, to a range of 0.75% to 1.00%.

Europe

Shares in Europe tumbled amid fears that central banks may have to step up their efforts to control inflation, potentially increasing the risk to economic growth. Lockdowns in China to curb the spread of the coronavirus and the Ukraine conflict added to the uncertainty.

T.RowePrice Market Update

Top 5 things to watch out for in the week ahead:

1) **US inflation data:** Wednesday's CPI data for April will show whether the fastest surge in inflation in over 40 years has peaked. The annual rate of inflation came in at 8.5% in March as gasoline costs hit record highs. Economists are forecasting an annual rate of 8.1%, but a lower than expected reading could potentially underline the case for even more aggressive monetary policy tightening from the Fed.

2) **Elevated volatility:** The Nasdaq and S&P 500 posted their fifth straight week of declines last week, and the Dow Jones Industrial Average its sixth. It was the longest losing streak for the S&P 500 since mid-2011 and for the Nasdaq since late 2012.

3) **China Data:** China is to release data on trade and inflation on Monday which will show the impact of Covid-19 lockdowns on the world's second largest economy.

4) **Eurozone U.K. data:** The latest data on Germany's ZEW sentiment index and preliminary first quarter GDP data from the U.K. will highlight the dilemma central banks are facing as they try to combat soaring prices amid heightened concerns over the outlook for growth.

5) **Energy prices:** The European Union is close to agreeing on a fresh round of sanctions against Moscow for invading Ukraine, including a phased embargo on Russian oil, which makes up over a quarter of EU imports.

Index	06/05/2022	29/04/2022	31/12/2021	Week/Week	Year-to-Date
Dow Jones	32,899.37	32,977.21	36,338.30	-0.24%	-9.46%
S&P 500	4,123.34	4,131.93	4,766.18	-0.21%	-13.49%
NASDAQ 100	12,693.54	12,854.80	16,320.08	-1.25%	-22.22%
FTSE 100	7,387.94	7,544.55	7,384.54	-2.08%	0.05%
Euro Stoxx 50	3,629.17	3,802.86	4,298.41	-4.57%	-15.57%

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").

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- Pooled Funds Management
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- 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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