

AUGUST 2023

EDITION #1

WEEKLY NEWSLETTER



August 28th, 2023

Investment Playbook
Page 1

Monitoring List
Page 8

Unit Trusts
Page 10

Local Equity Markets
Page 11

International Developments
Page 12

About Us
Page 13

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
WISYNCO Wisynco Group Limited	P/E: 14.17x P/B: 3.27x Price: \$18.00 Div Yield: 2.22%	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: 5.00x P/B: 1.00x Price: \$27.85 Div Yield 0.90%	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. JMMBGL's price has declined by 5.8% YTD which provides investors with an opportunity to acquire JMMBGL shares at a more attractive price. The long-term outlook for the company and the stock remains favorable, buoyed by an expanding regional footprint. In July JMMBGL closed on its acquisition of a commercial bank in the Dominican Republic (DR) which now enables the company to offer a full range of financial services in the market. The DR operations currently contributes 17% of net operating revenue and we will be keen to watch the effect of the expansion to JMMBGL's performance over the next few quarters. JMMB Equity Report
MASSY Massy Holdings Limited	P/E: 10.66x P/B: 1.20x Price: \$101.00 Div Yield 3.47%	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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
LASD Lasco Distributors	P/E: 9.95x P/B: 1.67x Price: \$4.23 Div Yield 2.13%	OVERWEIGHT Lasco Distributors has continued its growth trajectory, displaying resilience throughout the pandemic, and we expect this to continue post-pandemic supported by the improving economic backdrop of the global economy. As continued domestic demand for goods and services remain strong, the company is also looking to strengthen its exports as well as continue to launch new product lines. However, this isn't without challenges as global supply shocks has affected LASD's gross margins. In response, management has prudently managed operational costs such that higher imported inflationary costs has not completely eroded the bottom line, resulting in continued growth. Lasco Distributors Equity Report
SCIJMD/SCIUSD Sygnus Credit Investments	P/E: 8.54x / 10.07x P/B: 0.66x / 0.77x Price: \$11.95 / \$0.09 Div Yield: 3.35% / 2.89%	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 capital raises involving equity, preference shares and debt raise. Sygnus has demonstrated their commitment to growth and being the market leader in the regional private credit space with their acquisition of a Puerto Rico-based, private credit firm, Acrecent Financial in Q3 of their financial year. This acquisition has significantly added to the group's income and overall profitability. The stock trades at significant discount relative to peers both from a P/E perspective and a P/B perspective. At present, given Sygnus' strong current and expected future growth, the market is pricing Sygnus at a steep discount to its book value per share. Sygnus Credit Investments Equity Report
TROPICAL Tropical Battery Limited	P/E: 8.13x P/B: 2.39x Price: \$1.96 Div Yield 1.02%	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

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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
PROVENJMD/ PROVENUSD Proven Group Limited	P/E: N/A P/B: 0.82x / 0.78x Price: \$22.25 / \$0.15 Div Yield: 3.65% / 3.51%	OVERWEIGHT Proven has shown a decline in profitability throughout the current financial year, a performance driven by lower share of earnings of associates and higher operating expenses. The company continues to demonstrate its appetite for growth through acquisitions as evidenced by the recent 100% acquisition of Fidelity Bank (Cayman). The company has a history of acquiring companies with accretive value. We expect that profit margins will improve in the future as one-off spending related to recent acquisitions pass.
LUMBER Lumber Depot Limited	P/E: 9.86x P/B: 2.49x Price: \$2.07 Div Yield 2.51%	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 financial year 2022 revenue and net profit are 10.1% and 26.8% higher than financial year 2021 revenue and earnings, respectively. 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 Depot Equity Report
LAB The Limners and Bards Limited	P/E: 47.50x P/B: 3.20x Price: \$1.90 Div Yield 4.76%	OVERWEIGHT The LAB saw strong demand for its services throughout the pandemic, with revenue growth of 35% in FY2021. For the latest financial year revenue grew by approximately 10%, an indication of continued demand for the Company's services. However, net profit declined by 7% primarily due to higher administration costs, currency translation losses and losses on "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 2022 FY was the first full operational year for SCOPE, which saw take up of its services offered while it continues to explore additional revenue streams. With the LAB consistently positive operating cash flows and a current cash balance that is 1.64x larger than the Company's current liabilities, we believe the Lab is poised to invest its capital efficiently towards further growth. The LAB 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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
JBG Jamaica Broilers Group Limited	P/E: 7.21x P/B: 1.51x Price: \$31.95 Div Yield 2.10%	OVERWEIGHT JBG's financial performance has rebounded nicely from the lows seen in FY2020, driven by the recovery in the Jamaican economy and tourist arrivals, coupled with JBG's growing presence in the US market and the increasing production of the Best Dressed Chicken line of products. The loss making Haiti operation has been discontinued which should contribute to improved margins in the coming quarters. Positive results from expansion into the United States and recovery in Jamaican operations, along with stringent cost control have contributed to the surge in profitability in the first half of the 2023 financial year. Jamaica Broilers Group Equity Report
SEP Seprod Limited	P/E: 14.60x P/B: 1.64x Price: \$66.86 Div Yield 2.24%	OVERWEIGHT Seprod saw its financial performance surge for the 2022 financial year, owing to the strategic acquisition of AS Bryden, with revenues and net profit growing by 82% and 93% respectively. Going into the 2023 financial year, we expect easing of supply chain pressures, stability in commodity prices, and further consolidation of profits from AS Bryden to further lift net profits. Along with new products, Seprod also plans to aggressively target growth in export markets and is currently in the process of making necessary investments to increase capacity of its margarine plant. Seprod Limited Equity Report
LASM Lasco Manufacturing	P/E: 9.74x P/B: 1.84x Price: \$5.20 Div Yield 1.92%	OVERWEIGHT We expect that the Company's growth trajectory will be sustained, however, in the short term, the financial results have seen an impact from the overall macroeconomic conditions since the pandemic. Margins across the board have been compressed despite record profitability in 2022. Despite continued record tourism arrivals and growth in key sectors such as entertainment, steps need to be taken to restore margin progression. Against this backdrop it is notable that inflationary pressures and supply issues that plagued the company from 2022 to the first quarter of this year will likely begin to ease in the spring of 2023, suggesting a rebound in net profit growth for the company moving forward beyond FY 2023. Plans to further expand its geographical footprint by driving the contribution of export to its revenue will be value-added to the long-term sustainability of the Company's operations Lasco Manufacturing 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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
GK GraceKennedy Limited	P/E: 10.02x P/B: 0.99x Price: \$75.66 Div Yield 2.67%	MARKETWEIGHT For the year ended December 31, 2022, GK reported significant top-line growth, however, margin deterioration contributed to a decline in the bottom line. Revenues increased by 10.5% while profits saw a 15.1% decline of flat as operating expenses grew at a faster rate than revenues. The company cited challenges presented by high inflation globally, sustained supply chain issues, increasing interest rates, and foreign currency volatility as issues that have affected profit margins. GK continues to advance its merger & acquisition (M&A) strategy, after it increased its stake in Catherine's Peak Bottling Company Limited in the first quarter of 2023 to move its ownership stake from 35% to 70%, thus granting them a stronger position in the spring water market. The company continues to seek M&A transactions locally and internationally. These acquisitions stand to add more diversity and growth to the company's earnings. GraceKennedy Group Equity Report
MAILPAC Mailpac Group Limited	P/E: 17.00x P/B: 8.70x Price: \$1.87 Div Yield 9.09%	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 demand driven by pandemic restrictions has passed and while we anticipate online shopping will remain integral for the everyday consumer, the outsized growth we witnessed in FY2020 and FY2021 will not be repeated. 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. However, the current slowdown in demand and consequently revenue and profit growth underscores our MARKETWEIGHT recommendation Mailpac Group Equity Report
SGJ Scotia Group Jamaica Limited	P/E: 7.46x P/B: 0.95x Price: \$33.34 Div Yield 4.20%	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. The group has made an accelerated effort to digitize its business in line with its digital strategy to drive efficiency and better service customer needs. SGJ is looking to further consolidate its operations and funnel investments in core operations through technology and talent, while also looking to enter new markets and launch new products. 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

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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
FTNA Fontana Limited	P/E: 19.07x P/B: 5.60x Price: \$11.63 Div Yield 1.72%	MARKETWEIGHT Fontana has been growing and expanding since listing on the junior exchange in 2019. The Company has plans to expand, which include a new outlet to bring its footprint to a total of seven locations. In its most recent quarter, Net Profit saw a 32.7% increase over the same quarter in the prior financial year. Further, the 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 increased finance costs, 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
SVL Supreme Ventures Limited	P/E: 23.65x P/B: 12.95x Price: \$27.99 Div Yield 3.32%	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
ECL Express Catering Limited	P/E: 19.68x P/B: 9.98x Price: \$4.99 Div Yield: N/A	MARKETWEIGHT ECL has seen improved performance as the tourism industry rebound, following the pandemic, has been robust. 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. While we do expect the tourism industry to continue to recover, driving ECL's revenues to grow and likely surpass pre-covid levels by FY2023/FY2024, the inflationary pressures can not be ignored. Longer-term we do expect the company to reap the benefits of their expanded footprint within the Sangsters International Airport as well as the return to trend growth in stopover arrivals. ECL 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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
VMIL Victoria Mutual Investments Limited	P/E: 8.90x P/B: 1.37x Price: \$2.76 Div Yield: 0.00%	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

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

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Monitoring List

EQUITIES

Stock Ticker	Stock Information (as at August 25, 2023)	Comments
SOS Stationery & Office Supplies Limited	P/E: 14.81x P/B: 3.22x Price: \$1.86 Div Yield 1.08%	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 Sagikor Group Jamaica Limited	P/E: 9.31x P/B: 1.98x Price: \$44.22 Div Yield 3.62%	Sagikor 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" represents 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.*

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Monitoring List

Fixed Income

Bond & Issuer	Stock Information (as at August 25, 2023)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): \$88.03 / \$88.57 Yield to Maturity (Bid/Ask): 6.29%/6.17% Maturity: May 1st, 2029 Modified Duration: 4.90 Credit Rating: BB+ (S&P)	The Hilton Hotels gives investors access to several global brands in the hospitality and travel sector. As of 2022, Hilton managed, franchised, or owned 7,165 hotels and resorts, totaling 1.1 million rooms in 123 countries. The industry also continues to represent a potential travel recovery play as the demand for business transient (short stay business travel) and group travel continues to gain momentum with trends through 2Q23 continuing to look strong.
SFCCN 5.3% 2028 Sagcor Financial Corporation	Price (Bid/Ask): \$95.00/\$95.59 Yield to Maturity (Bid/Ask): 6.55%/6.40% Maturity: May 13th, 2028 Modified Duration: 4.01 Credit Rating: BB+ (S&P) / BB- (Fitch)	OVERWEIGHT SFCCN 5.3% 2028 gives investors exposure a global life insurer with a growing footprint in the North American Market. While the credit has seen some spread compression, we believe that there might be more to come. This comes as it trades slightly cheap relative to peers with the major concern as it relates to macroeconomic exposure to Caribbean government debt is likely to be improved with the Iviri transaction. In this regard, the successful closure of the acquisition means that there is potential for more spread compression. In addition to this, approaching closer to the end of the Fed hiking cycle might also limit the potential downside tailwinds on price from even more restrictive monetary policy. SFCCN Fixed Income Report
BAC 7.25% 2025 Bank of America Corp	Price (Bid/Ask): \$102.16/\$102.78 Yield to Maturity (Bid/Ask): 6.14%/5.84% Maturity: October 15th, 2023 Modified Duration: 1.90 Credit Rating: BBB+ (S&P) / A (Fitch) / A3 (Moody's)	Bank of America is one of the largest financial institutions in the United States, with more than \$2.5 trillion in assets. The bank now has one of the most complete retail branch networks and overall retail franchises in the United States. BAC is also a Tier 1 investment bank, a top four U.S. credit card issuer, a top three U.S. acquirer, has a solid commercial banking franchise, and owns the Merrill Lynch franchise, which has become one of the leading U.S. brokerage and advisor firms.
MAT 3.75% 2026 Mattel Inc	Price (Bid/Ask): \$88.43/\$89.07 Yield to Maturity (Bid/Ask): 6.24%/6.09% Maturity: April 1st, 2026 Modified Duration: 4.82 Credit Rating: BBB- (S&P) / BB+ (Fitch) / Baa3 (Moody's)	Mattel markets toy products that are sold to its wholesale customers and direct to retail consumers. The Company offers products for children and families, including toys for infants and preschoolers, girls and boys. A rebound in dolls, especially Barbie and Frozen, is the key to Mattel outperforming projections for 2023.

***The "Monitoring List" represents 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.*

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

Unit Trust

Unit Trust Fund	23/08/2023	16/08/2023	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	73.36	74.19	-1.12%	-23.44%	-20.11%	-
Money Market	15.9832	15.9675	0.10%	2.88%	5.29%	4.82%
Income Portfolio	100.00	100.00	-	-	-	5.63%
FX Bond Portfolio (US\$)	1.3955	1.3950	0.04%	4.07%	3.95%	5.00%
Real Estate Portfolio	12,697.10	12,688.38	0.07%	59.98%	233.66%	-
FX Growth Portfolio	0.8770	0.8741	0.33%	3.71%	-4.05%	-
FX Income Accumulator	1.0043	1.0042	0.01%	0.30%	-	2.52%

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

Warren Buffett

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

LOCAL EQUITY MARKET

For the week ending August 25, 2023, the local stock market, measured by the Combined Index, declined by 0.07%. The Main Market Index gained 0.08%, the Junior Market Index decreased by 1.32%, and the JSE USD Equities Index declined by 3.38%. During the week, Eppley Caribbean Property Fund was the largest gainer, rising by approximately 13.41% to close at \$41.10. Ciboney Group Limited was the biggest decliner, which fell by 17.02% to close at \$1.17.

Large-cap stocks, reflecting those listed on the Main Market Index are underperforming on a YTD basis, declining by 9.99%, relative to its Junior Market counterpart which has declined by 3.77%

For the week ending August 25, 2023, overall market activity resulted from trading in 117 stocks of which 47 advanced, 57 declined and 13 traded firm. Market volume amounted to 72,280,928 units valued at over \$363,864,106.64. Wigton Windfarm Limited was the volume leader with 9,728,272 units (13.24%), followed by Transjamaican Highway Limited with 8,417,266 units (11.46%), and by Stanley Motta Limited with 6,492,734 units (8.84%).

Revisiting relevant news during the week:

BOJ outlines \$20-billion cost for inflation fight

The Bank of Jamaica (BOJ) said its inflation fight over the last two years has already cost it upwards of \$20 billion, but added that it remains profitable and is expected to continue disbursing these profits to the Government.

BOJ outlines \$20-billion cost for inflation fight

One Great Studio's regional growth objectives

Digital marketing agency One Great Studio (IGS) has set its sights on global and regional expansion by leveraging the global reach of its new subsidiary, United States-incorporated High Voltage SEO (HVSEO), following the take-up of its initial public offer (IPO).

One Great Studio's regional growth objectives

Higher rates drag construction sector

The once-booming construction sector declined for a fifth-consecutive quarter between April and June of this year, with industry players citing rising interest rates implemented to fight inflation as the chief reason for the contraction.

Higher rates drag construction sector

Kaya acquisition powers Tropical Battery revenues

Directors of Tropical Battery Company Limited have credited the acquisition of Dominican Republic-based Kaya Energy Group for contributing to increased growth in revenues in third quarter (Q3) 2023, despite indicating the need to be monitored and make adjustments to the operation so as to ensure the overall success of the group.

Kaya acquisition powers Tropical Battery revenues

'Material success'

THE Bank of Jamaica (BOJ) said it will keep its key policy rate unchanged following a unanimous vote on the decision by its rate-setting monetary policy committee (MPC), citing it has been having "material success" in the fight to contain inflation. The decision means BOJ's policy rate will remain at 7 per cent until at least the next meeting of the MPC, with the decision to be announced on September 29. It also said it will maintain tight Jamaican-dollar liquidity conditions and relative stability in the foreign exchange market for the foreseeable future.

'Material success'

Index	25/08/2023	18/08/2023	31/12/2022	Week/Week	Year-to-Date
JSE Main Market	320,329.81	320,070.80	355,896.64	0.08%	-9.99%
JSE Junior Market	3,836.25	3,887.42	3,986.44	-1.32%	-3.77%
JSE Combined Market	334,006.20	334,232.98	368,591.98	-0.07%	-9.38%
JSE USD Equities Market	238.19	246.53	233.97	-3.38%	1.80%
JSE Financial Index	70.60	70.48	85.88	0.17%	-17.79%
JSE M&D Idex	98.64	98.77	97.42	-0.13%	1.25%

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

INTERNATIONAL DEVELOPMENTS

U.S.

Stocks end mixed on mixed signals

Benchmark returns varied for the week as investors seemed to react to mixed signals on the economy and the course of monetary policy. Growth stocks handily outperformed value shares, helped by another substantial earnings and revenue beat by artificial intelligence chipmaker NVIDIA. Financials pulled back early in the week after S&P Global downgraded its credit ratings of five regional banks, citing, in part, stresses in the commercial real estate lending market.

New home sales defy high mortgage rates

Durable goods orders data released Thursday indicated a somewhat higher degree of business caution, at least in certain areas. While durable goods orders, excluding defense and transportation—commonly accepted as a proxy for business investment—rose 0.1% in July; this was more than offset by a downwardly revised 0.4% contraction in June. S&P Global's index of manufacturing activity also fell more than expected in August, reversing most of July's strong gain and moving further back into contraction territory.

The housing sector appeared more robust, with new home sales reaching their highest level in July since early 2022, despite the highest mortgage rates in years. Freddie Mac reported on Thursday that the 30-year fixed rate mortgage had reached its highest level since 2001. Existing home sales fell back and missed expectations, however.

Long-term yields back off nearly 16-year highs

After hitting its highest intraday level (4.36%) since late 2007 on Tuesday, the yield on the benchmark 10-year U.S. Treasury note fell back to end relatively unchanged for the week at 4.24%. The ratio of tax-free to Treasury increased over much of the week—indicating underperformance of munis relative to Treasuries—with the 10- and 30-year ratios moving to the highest levels seen in months.

Issuance was light throughout the week in the investment-grade corporate bond market ahead of Powell's speech, but the three issues that came to market were oversubscribed. Similarly, our traders noted that the high yield and bank loan markets appeared to be largely on hold in advance of the Jackson Hole conference.

Europe

In local currency terms, the pan-European STOXX Europe 600 Index ended 0.66% higher as European natural gas prices dropped and expectations grew that interest rates may soon peak. Major stock indexes advanced. Italy's FTSE MIB tacked on 1.61%, France's CAC 40 Index gained 0.91%, and Germany's DAX added 0.37%. The UK's FTSE 100 Index rallied 1.05%.

Eurozone bond yields fell, with 10-year German sovereign yields ending lower. Economic data pointed to a weakening European economy, prompting financial markets to pare expectations on future interest rate increases.

Eurozone business activity likely contracted in August

Initial results from a survey of purchasing managers compiled by S&P Global indicated that business activity in the eurozone likely shrank for a third consecutive month. The Purchasing Managers' Index (PMI) for manufacturing came in at 43.7—a slight improvement from July but still well below 50, the level that indicates a contraction in activity. Meanwhile, the PMI reading for the services sector dipped below 50. The HCOB Flash Eurozone Composite PMI Output Index, which combines data from both sectors, fell to a 33-month low of 47.0 from 48.6 in July.

China

Chinese stocks fell as investors grew more pessimistic about the country's economic outlook. The blue chip CSI 300 Index and Shanghai Composite Index both recorded weekly declines and added to their year-to-date losses. The CSI 300 Index is trading at its lowest level since November 2022, while the Shanghai Composite Index is at its lowest level since last December. In Hong Kong, the Hang Seng Index, which entered a bear market the previous Friday, rose slightly for the week, though it too is at its lowest level since November.

Disappointing data, signs of deflation, record youth unemployment, and continued liquidity problems in the debt-laden property sector have contributed to an erosion of confidence in China's economy. Signs of deteriorating growth—and a sense that China's government has relatively few good options to arrest the downturn—have raised the prospect of accelerated capital outflows. Overseas funds sold the equivalent of USD 10.7 billion from the mainland market over the 13 trading days through Wednesday, according to Bloomberg, the longest stretch since it began tracking the data in 2016.

T.RowePrice

Index	25/08/2023	18/08/2023	31/12/2022	Week/Week	Year-to-Date
Dow Jones	34,346.90	34,500.66	33,147.25	-0.45%	3.62%
S&P 500	4,405.71	4,369.71	3,839.50	0.82%	14.75%
NASDAQ 100	14,941.83	14,694.84	10,939.76	1.68%	36.58%
FTSE 100	7,338.58	7,262.43	7,451.74	1.05%	-1.52%
Euro Stoxx 50	4,326.25	4,212.95	3,793.62	2.69%	14.04%

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited ("Barita") makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.

ABOUT US

Barita Investments Limited, is a publicly-traded company on the JSE, 74.3% owned by Cornerstone Financial Holdings Limited (“Cornerstone”).

The Barita Group is made up of Barita Investments Limited and its subsidiary, Barita Unit Trusts Management Company Limited (BUTM). Founded by Rita Humphries-Lewin in 1977, Barita has the distinction of being one of the oldest stock brokerages in Jamaica. The Company is regulated by the Financial Services Commission (FSC), is a member of the JSE and is licensed as a Primary Dealer and Cambio Dealer by the Bank of Jamaica (BOJ or the Central Bank). In August 2018, Cornerstone Financial Holdings Limited (Cornerstone or CFHL) acquired majority shares in Barita and has supported the Company’s mission and vision to be a premier investment force in Jamaica and the wider Caribbean.

OUR PRODUCTS AND SERVICES INCLUDE:

- Stock Market investments on any of the three regional exchanges
- Fixed Income Trading
- Investment Banking Services
- Unit Trust Investments
- Currency Trading
- Structured Products
- Retirement Planning
- Wealth Planning
- Market Research

BUTM currently offers six (6) unit trust products spanning fixed income, equities and real estate and is recognised as a strong player in the middle market retail segment and a leader in unit trust performance.

Barita serves its clients island-wide through its Head Office in Kingston and branches in Mandeville and Montego Bay with a team of 163 members across its operations island-wide.

Contact us

Tel: (876) 926-2681 or (888) 429-5333

Website: www.barita.com

The information contained in this Newsletter is published for general information purposes only. Barita Investments Limited (“Barita”) makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability or suitability of the information presented. Further, prices of securities may fluctuate and statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior period. Any reliance placed on this information is at your own risk and neither Barita and its affiliates nor their directors, representatives, employees and/or associated persons assume or accept any liability or responsibility whatsoever as regards any investment decision made by any person arising from this Newsletter. There are risk factors associated with any prospective investment. Please consult your licensed investment advisor before making any investment decision.

Barita, its affiliates, directors, representatives, employees and/or associated persons may have or have had an interest or be interested in any investments or securities mentioned in this Newsletter at any time and may make a purchase and/or sale or offer to make a purchase and/or sale or act as principal or agent of any such securities or other financial instruments from time to time.

This Newsletter and the opinions therein are as at the date of this Newsletter.