

OCTOBER 2023

EDITION #1

WEEKLY NEWSLETTER



October 16th, 2023

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Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at October 13, 2023)	Comments
WISYNCO Wisynco Group Limited	P/E: 14.03x P/B: 3.27x Price: \$18.38 Div Yield: 2.18%	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: 4.96x P/B: 1x Price: \$27.64 Div Yield 0.9%	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: 10.25x P/B: 1.15x Price: \$97.1 Div Yield 3.61%	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

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LASD Lasco Distributors	P/E: 9.83x P/B: 1.65x Price: \$4.18 Div Yield 2.15%	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: 8.57x / 10.49x P/B: 0.59x / 0.73x Price: \$10.93 / \$0.09 Div Yield: 3.67% / 3.05%	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: 8.22x P/B: 2.41x Price: \$1.98 Div Yield 1.01%	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

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PROVENJMD/ PROVENUSD Proven Group Limited	P/E: N/A P/B: 0.81x / 0.76x Price: \$22 / \$0.14 Div Yield: 3.69% / 3.64%	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: 11.9x P/B: 2.76x Price: \$2.5 Div Yield 2.08%	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: 30x P/B: 2.85x Price: \$1.8 Div Yield 5.02%	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

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JBG Jamaica Broilers Group Limited	P/E: 7.36x P/B: 1.52x Price: \$33.87 Div Yield 1.98%	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: 19.88x P/B: 1.69x Price: \$69 Div Yield 2.17%	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: 9.05x P/B: 1.71x Price: \$4.83 Div Yield 2.07%	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

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GK GraceKennedy Limited	P/E: 9.62x P/B: 0.95x Price: \$72.6 Div Yield 2.78%	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: 18.36x P/B: 9.4x Price: \$2.02 Div Yield 8.42%	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: 5.99x P/B: 0.92x Price: \$33.6 Div Yield 4.17%	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

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FTNA Fontana Limited	P/E: 22.17x P/B: 5.9x Price: \$11.53 Div Yield 1.73%	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: 22.8x P/B: 12.49x Price: \$26.98 Div Yield 3.45%	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: 17.13x P/B: 7.17x Price: \$4.69 Div Yield 0%	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

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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

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SOS Stationery & Office Supplies Limited	P/E: 13.94x P/B: 3.02x Price: \$1.75 Div Yield 1.14%	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: 9.04x P/B: 1.92x Price: \$42.93 Div Yield 3.73%	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.

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Fixed Income

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HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): \$85.33 / \$85.74 Yield to Maturity (Bid/Ask): 7.00%/6.89% Maturity: May 1st, 2029 Modified Duration: 4.76 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): \$92.53/\$93.42 Yield to Maturity (Bid/Ask): 7.25%/7.01% Maturity: May 13th, 2028 Modified Duration: 3.89 Credit Rating: BBB (S&P) / BBB- (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): \$101.77/\$102.96 Yield to Maturity (Bid/Ask): 6.29%/5.65% Maturity: October 15th, 2025 Modified Duration: 1.79 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% 2029 Mattel Inc	Price (Bid/Ask): \$85.43/\$86.38 Yield to Maturity (Bid/Ask): 7.01%/6.78% Maturity: April 1st, 2029 Modified Duration: 4.79 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.

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Unit Trust

Unit Trust Fund	12/10/2023	04/10/2023	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	75.32	74.67	0.86%	-21.39%	-20.81%	-
Money Market	16.0681	16.1527	-0.52%	3.43%	4.44%	5.20%
Income Portfolio	100.00	100.00	-	-	-	6.12%
FX Bond Portfolio (US\$)	1.3994	1.3980	0.10%	4.36%	5.09%	5.07%
Real Estate Portfolio	12,731.02	12,727.24	0.03%	60.41%	143.91%	-
FX Growth Portfolio	0.86	0.8432	1.84%	1.54%	5.78%	-
FX Income Accumulator	1.00	1.00	0.06%	0.14%		2.10%

“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 ending October 13, 2023, the local stock market, measured by the Combined Index, advanced by 0.07%. The Main Market Index declined by 0.03%, the Junior Market Index advanced by 0.89%, and the JSE USD Equities Index decreased by 1.75%. During the week, Margaritaville (Turks) Limited USD was the largest gainer, rising by approximately 36.70% to close at US\$0.13. ISP Finance Services Limited was the biggest decliner, which fell by 29.75% to close at \$30.91.

Large-cap stocks, reflecting those listed on the Main Market Index are underperforming on a YTD basis, declining by 11.52%, relative to its Junior Market counterpart which has declined by 1.79%

For the week ending October 13, 2023, overall market activity resulted from trading in 122 stocks of which 62 advanced, 48 declined and 12 traded firm. Market volume amounted to 197,098,851 units valued at over \$744,335,887.88. JMMB Group 7.25% VR JMD Pref shares was the volume leader with 70,060,395 units (35.23%), followed by JFP Limited with 46,525,884 units (23.39%), and by Mailpac Group Limited with 12,850,607 units (6.46%).

Revisiting relevant news during the week:

Stanley Motta on track for Unit 1 completion

Real estate developer Stanley Motta Limited (SML) is looking to complete the expansion of its 126,000 square feet building known as Unit 1 in Kingston by April 2024, which is set to significantly improve its earnings.

Stanley Motta on track for Unit 1 completion

Sagicor Financial gets investment grade credit rating

Sagicor Financial Company Limited (SFC) has attained its long-desired goal of an investment grade credit rating following recent upgrades by S&P Global Ratings and Fitch Ratings. SFC's rating upgrades is driven by the acquisition of Ivori, a Canadian middle market life insurance company,

Sagicor Financial gets investment grade credit rating

JN Bank restructures real estate portfolio with Eppley deal

JN Bank Limited has sold 22 buildings-covering 267,000 square feet-for \$4.55 billion to Eppley Caribbean Property Fund Limited SCC and the Caribbean Mezzanine Fund II (CMF II), as it becomes the latest financial institution to restructure its real estate assets.

JN Bank restructures real estate portfolio with Eppley deal

Palace returns to billion-dollar sales

Cinema operator Palace Amusement Company Limited at the end of its last financial year not only hopped out of the red but also returned to delivering over a billion dollars in sales, fully recovering from the clutches of the novel coronavirus pandemic which placed previous earnings in intermission.

Palace returns to billion-dollar sales

Proven Group's assets surpass US\$1 billion

The acquisition of Proven Bank has catapulted Proven Group's total assets to over US\$1 billion. Net revenues surged by nearly 30 per cent to reach \$49.64 million.

Proven Group's assets surpass US\$1 billion

Lasco Financial bets on microfinance

Lasco Financial Services Limited (LASF) is betting its future growth on its microfinance subsidiary Lasco Microfinance Limited amid the shifting remittance market.

Lasco Financial bets on microfinance

Index	13/10/2023	06/10/2023	31/12/2022	Week/Week	Year-to-Date
JSE Main Market	314,884.77	314,985.96	355,896.64	-0.032%	-11.524%
JSE Junior Market	3,914.92	3,880.34	3,986.44	0.89%	-1.79%
JSE Combined Market	329,616.20	329,401.93	368,591.98	0.07%	-10.57%
JSE USD Equities Market	243.59	247.94	233.97	-1.75%	4.11%
JSE Financial Index	69.27	69.36	85.88	-0.13%	-19.34%
JSE M&D Idex	98.21	97.41	97.42	0.82%	0.81%

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INTERNATIONAL DEVELOPMENTS

U.S.

Stocks mixed as earnings season kicks off

The major indexes ended mixed as investors weighed inflation data against dovish signals from Federal Reserve officials. Large-cap value stocks outperformed, helped by earnings beats from Citigroup, Wells Fargo, and JPMorgan Chase. The banking giants kicked off the unofficial start to third-quarter earnings reporting season on a positive note, as their profits got a boost from higher interest rates. The prospect of a widening war in the Middle East following last weekend's Hamas attacks against Israel boosted energy shares and defense stocks while weighing on airlines and cruise operators. Dialysis provider DaVita also fell sharply on reports that Novo Nordisk's new dialysis drug, after being widely adopted to treat obesity, also demonstrated success in treating kidney disease.

Dovish Fed signals support sentiment...

Sentiment appeared to get a boost at the start of the week, after Fed Vice Chair Philip Jefferson told an economics conference in Dallas that he was mindful that the rise in long-term bond yields might affect the need for future rate hikes. He also acknowledged that policymakers "have to balance the risk of not having tightened enough against the risk of policy being too restrictive."

Dallas Fed President Lorie Logan, widely considered one of the central bank's most hawkish policymakers, also surprised some by telling another economics conference that "there may be less need to raise the fed funds rate" because of the higher yields, although she repeated her insistence that rates would need to remain elevated.

Producer inflation surprises to the upside, but consumer inflation falls to two-year low

Slightly hotter-than-expected inflation readings did not seem to sway investor expectations for the Fed's next move, perhaps due to expectations that officials might also weigh the added uncertainty from the war between Hamas and Israel. On Wednesday, the Labor Department reported that core (excluding food and energy) producer prices rose 0.3% in September, a tick above expectations. The surprise 2.7% increase in year-over-year core producer prices was the highest level since May, however, due to a significant upward revision in the previous month. Core consumer price index (CPI) inflation data, released Thursday, was in line with expectations, rising 4.1% for the year ended September 30, its slowest pace in two years.

Europe

In local currency terms, the pan-European STOXX Europe 600 Index ended 0.95% higher, snapping three weeks of losses after dovish comments from Fed policymakers and reports that China was considering more economic stimulus measures. Major stock indexes were mixed. Italy's FTSE MIB rose 1.53%, Germany's DAX slipped 0.28%, and France's CAC 40 Index fell 0.80%. The UK's FTSE 100 Index added 1.41%. European government bond yields broadly declined due to demand for safe-haven assets after last weekend's flare up of violence in the Middle East. However, strong U.S. inflation data cushioned the drop in yields. The benchmark 10-year German government bond yield ended near 2.75%.

ECB minutes show September rate hike was a "close call"

The minutes of the European Central Bank's (ECB) September meeting revealed that "a solid majority" of policymakers voted to raise the key deposit rate to a record high of 4.0%. The decision appeared to be a close call, given the "considerable uncertainty." Pausing the rate increases "risk[ed] being interpreted as a weakening of the ECB's determination, especially at a time when headline and core inflation was still above 5%," the minutes said.

Japan

Japan's stock markets gained over the week, with the Nikkei 225 Index up 4.3% and the broader TOPIX Index rising 2.0%, continuing their strong year-to-date gains as historic weakness in the yen lent ongoing support. The yen weakened to around JPY 149.6 against the U.S. dollar, from about JPY 149.2 the prior week, despite seeing some support from investor demand for safe-haven currencies amid the violent developments in the Middle East. While Japanese authorities have repeatedly stressed that they would act against excess currency volatility, without ruling out any options, there has been no evidence that they have recently intervened to stem the yen's slide.

Speculation ongoing about monetary policy normalization

The yield on the 10-year Japanese government bond (JGB) fell to 0.76%, from 0.80% at the end of the previous week. Speculation was ongoing about when the Bank of Japan (BoJ) could further normalize its monetary policy, having tweaked its approach to yield curve control (YCC) in July to effectively allow yields to rise more freely, but capping them at 1.0%. Asahi Noguchi, a BoJ Board member, indicated during the week that the central bank has room to maneuver before the JGB yield hits its ceiling and that there is no pressing need to alter its YCC policy.

T.RowePrice

Index	13/10/2023	06/10/2023	31/12/2022	Week/Week	Year-to-Date
Dow Jones	33,670.29	33,407.58	33,147.25	0.79%	1.58%
S&P 500	4,327.78	4,308.50	3,839.50	0.45%	12.72%
NASDAQ 100	14,995.12	14,973.24	10,939.76	0.15%	37.07%
FTSE 100	7,599.60	7,954.58	7,451.74	-4.46%	1.98%
Euro Stoxx 50	4,136.12	4,144.43	3,793.62	-0.20%	9.03%

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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

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