

WEEKLY NEWSLETTER



June 10th, 2024

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Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at June 7th, 2024)	Comments
WISYNCO Wisynco Group Limited	P/E: 15.22x P/B: 3.24x Price: \$21 Div Yield 1.9%	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: 2.12x P/B: 0.69x Price: \$25.05 Div Yield 1%	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: 0.95x Price: \$85.03 Div Yield 4.12%	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

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LASD Lasco Distributors	P/E: 12.48x P/B: 1.89x Price: \$5.12 Div Yield 1.95%	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: 8.84x / 10.39x P/B: 0.57x / 0.67x Price: \$10.58 / \$0.08 Div Yield: 6.36% / 5.5%	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: 21.54x P/B: 2.56x Price: \$2.24 Div Yield 1.79%	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: 10.83x / 10.83x P/B: 0.63x / 0.59x Price: \$20.21 / \$0.13 Div Yield: 4.22% / 4.23%	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: 11.13x P/B: 2.85x Price: \$2.67 Div Yield 2.7%	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
TJH TransJamaican Highway Limited	P/E: 9.65x P/B: 5.23x Price: \$3.15 Div Yield 5.92%	OVERWEIGHT The Group continues to experience stronger-than-projected traffic growth, as evidenced by the performance during the third quarter of the 2023 financial year, and this trend is expected to persist at least in the short term. Additionally, the JIO acquisition has improved operating efficiency, and it is expected that as the group continues to reduce debt, profitability and cash flow generation will continue to improve. TJH Equity Report

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JBG Jamaica Broilers Group Limited	P/E: 7.17x P/B: 1.39x Price: \$33.75 Div Yield 2.55%	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: 20.13x P/B: 2x Price: \$78.29 Div Yield 2.11%	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: 10.36x P/B: 1.9x Price: \$5.97 Div Yield 2.01%	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: 9.56x P/B: 0.92x Price: \$74.97 Div Yield 2.89%	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: 20.8x P/B: 9.67x Price: \$2.08 Div Yield 5.29%	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: 7.58x P/B: 1.09x Price: \$44.51 Div Yield 3.03%	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: 17.28x P/B: 3.61x Price: \$8.12 Div Yield 2.46%	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: 24.86x P/B: 14.12x Price: \$22.82 Div Yield 4.11%	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: 13.17x P/B: 5.44x Price: \$4.2 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: 5.78x P/B: 0.88x Price: \$2.66 Div Yield 0%	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: 13.92x P/B: 2.63x Price: \$1.67 Div Yield 1.33%	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 stationery 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: 11.98x P/B: 1.65x Price: \$40.38 Div Yield 3.03%	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.

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Fixed Income

Bond & Issuer	Stock Information (as at June 7th, 2024)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): \$91.18 / \$91.37 Yield to Maturity (Bid/Ask): 5.84%/5.80% Maturity: May 1st, 2029 Modified Duration: 4.36 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): \$95.60/\$96.07 Yield to Maturity (Bid/Ask): 6.59%/6.45% Maturity: May 13th, 2028 Modified Duration: 3.48 Credit Rating: BBB (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 Ivori 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): \$101.61/\$102.12 Yield to Maturity (Bid/Ask): 5.99%/5.59% Maturity: October 15th, 2025 Modified Duration: 1.27 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): \$91.92/\$92.33 Yield to Maturity (Bid/Ask): 5.69%/5.59% Maturity: April 1st, 2029 Modified Duration: 4.29 Credit Rating: BBB (S&P) / BBB-(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	06/06/2024	29/05/2024	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	76.47	76.48	-0.01%	-5.05%	-0.74%	-
Money Market	16.6243	16.608	0.10%	2.04%	4.91%	5.43%
Income Portfolio	100	100	0.00%	-	-	6.06%
FX Bond Portfolio (US\$)	1.4608	1.4591	0.12%	2.60%	6.45%	5.05%
Real Estate Portfolio	16,198.04	16,209.56	-0.07%	28.67%	31.37%	-
FX Growth Portfolio	1.0672	1.053	1.35%	11.96%	21.36%	-
FX Income Accumulator Portfolio	1.019	1.0179	0.11%	0.39%	1.31%	3.48%

“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 June 7, 2024, the local stock market, measured by the Combined Index, declined by 0.73%. The Main Market Index decreased by 0.49%, the Junior Market Index declined by 3.58%, and the JSE USD Equities Index declined by 6.39%. During the week, Limners and Bards Limited was the largest gainer, rising by approximately 23.02% to close at \$1.71. Productive Business Solutions Limited was the biggest decliner, which fell by 25.00% to close at \$1.28.

Large-cap stocks, reflecting those listed on the Main Market Index are overperforming on a YTD basis, decreasing by 1.50%, relative to its Junior Market counterpart which has declined by 3.88%.

For the week ending June 7, 2024, overall market activity resulted from trading in 124 stocks of which 46 advanced, 70 declined and 8 traded firm. Market volume amounted to 100,874,501 units valued at over \$393,708,062.68. Transjamaican Highway Limited was the volume leader with 28,792,105 units (27.96%), followed by Wigton Windfarm Limited with 20,775,861 units (20.17%), and by The Limners and Bards Limited with 7,762,224 units (7.54%).

Revisiting relevant news during the week:

Kingston Wharves to invest \$15b over five years

Kingston Wharves Limited (KWL) is planning to spend US\$100 million (\$15.44 billion) over the next five years on a series of projects set to expand its business scope and propel its earnings even higher.

Kingston Wharves to invest \$15b over five years

PBS shareholders approve preference shares raise

Productive Business Solutions Limited (PBS) got the green light at its special meeting on Thursday to issue new preference shares later this year.

PBS shareholders approve preference shares raise

Carreras takes added steps to combat illicit trade

Having been able to claw back about two per cent of its revenues lost to illicit trade, local cigarette company Carreras Limited said it will continue to take added steps to dent the sale of illegal products.

Carreras takes added steps to combat illicit trade

Norbrook Equity acquires Panamanian KFC & Dairy Queen franchises

Norbrook Equity Partners Limited and other co-investors have successfully acquired the Panamanian KFC and Dairy Queen franchises from Franquicias Panameñas, SA (FranPan).

Norbrook Equity acquires Panamanian KFC & Dairy Queen franchises

JSE suspends EduFocal and Equityline from trading

The Jamaica Stock Exchange (JSE) has suspended trading in the shares of EduFocal Limited and Equityline Mortgage Investment Corporation Limited due to both firms not publishing their 2023 audited financials.

JSE suspends EduFocal and Equityline from trading

We want to positively impact the average man

On March 1, 2024 Ramon Small-Ferguson took the reigns as CEO of Barita Investments. At 32, Small-Ferguson is one of the youngest CEOs of a major financial entity in Jamaica, overseeing an institution with \$128 billion in assets and a market value of \$87 billion at the end of trading on Tuesday.

We want to positively impact the average man

Lasco executing property acquisition amid consistent growth

Lasco Distributors Limited (LASD) is acquiring a property neighbouring its pharmaceutical warehouse on Red Hills Road in Kingston, driven by an increasing need for storage space amid greater demand for its products.

Lasco executing property acquisition amid consistent growth

Index	07/06/2024	31/05/2024	29/12/2023	Week/Week	Year-to-Date
JSE Main Market	320,829.62	322,397.70	325,699.79	-0.49%	-1.50%
JSE Junior Market	3,699.06	3,836.50	3,848.33	-3.58%	-3.88%
JSE Combined Market	333,333.62	335,794.70	339,158.12	-0.73%	-1.72%
JSE USD Equities Market	224.05	239.35	231.05	-6.39%	-3.03%
JSE Financial Index	68.92	69.10	70.65	-0.26%	-2.45%
JSE M&D Idex	102.78	103.75	102.94	-0.93%	-0.16%

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INTERNATIONAL DEVELOPMENTS

U.S.

Major benchmarks end mixed as longer-term bond yields fall

The major indexes ended mixed for the week, as investors appeared to weigh contradictory data from the week's busy economic calendar. The S&P 500 Index and technology-heavy Nasdaq Composite reached record intraday highs, but the smaller-cap indexes pulled back. Relatedly, growth stocks outpaced value shares by the widest amount since early in the year, as falling longer-term interest rates increased the notional value of future earnings.

Manufacturing slump continues...

The start of the week brought some downbeat economic readings, which appeared to lead to a return of worries about slowing growth alongside high inflation—or “stagflation”—among some investors. In particular, the Institute for Supply Management (ISM) reported on Monday that its gauge of manufacturing activity had fallen further into contraction territory (48.7, with levels below 50.0 indicating contraction). On Tuesday, the Labor Department reported that job openings in April had fallen to their lowest level (8.059 million) since February 2022. Conversely, the number of Americans leaving their jobs voluntarily, the so-called quits rate—considered by many as a more reliable indicator of the strength of the labor market—surprised on the upside.

Mixed Inflation Signals...

The week's inflation signals were also mixed. Even as the unemployment rate increased, average hourly earnings rose 0.4%, above consensus and the most since January. The ISM data suggested that overall price pressures were concentrated in the much larger services sector while easing in the struggling manufacturing sector, due largely to falling commodity prices.

On balance, fixed income investors appeared to interpret the news as signs of easing inflation pressures. The yield on the benchmark 10-year U.S. Treasury note hit an over two-month intraday low (4.28%) on Thursday. While the yield jumped after the Friday jobs report, it still ended lower for the week. (Bond prices and yields move in opposite directions.)

[T.RowePrice](#)

Europe

In local currency terms, the pan-European STOXX Europe 600 Index ended 1.04% higher after the European Central Bank (ECB) on Thursday cut interest rates for the first time in five years. Major stock indexes recorded gains. Italy's FTSE MIB rose 0.49%, Germany's DAX tacked on 0.32%, and France's CAC 40 Index added 0.11%. The UK's FTSE 100 Index slipped 0.36%.

ECB cuts rates, but no hint on future decisions

The ECB reduced its deposit rate by a quarter point to 3.75%, as expected, but it stopped short of indicating that more cuts could follow. “Based on an updated assessment of the inflation outlook, the dynamics of underlying inflation and the strength of monetary policy transmission, it is now appropriate to moderate the degree of monetary policy restriction after nine months of holding rates steady,” the Governing Council said in a statement. However, reading from the statement at a press conference, ECB President Christine Lagarde added: “We are not pre-committing to a particular rate path. Despite the progress over recent quarters, domestic price pressures remain strong as wage growth is elevated, and inflation is likely to stay above target well into next year.”

The ECB forecast that inflation would average 2.5% in 2024, an upward revision from the previous estimate of 2.3%. The central bank also revised its estimate of average inflation for 2025 to 2.2% in 2025 from 2.0% but held its forecast for 2026 at 1.9%.

Japan

Japan's stock markets generated mixed weekly returns, with the Nikkei 225 Index up 0.5% and the broader TOPIX Index falling 0.6%. A tentative rally in the yen, which strengthened to around JPY 155 against the U.S. dollar, from the prior week's JPY 157, posed a headwind for Japanese exporters. However, the latest purchasing managers' index data showing that the country's services sector continued to expand at a sharp pace in May lent support to sentiment. There were also some signs that private consumption could stop being a drag on growth, as household spending increased year on year in April, the first increase in 14 months.

BoJ expected to taper bond buying

Yield on the 10-year Japanese government bond (JGB) fell to 0.98%, from 1.07% at the end of the previous week, tracking U.S. Treasury yields lower. Speculation was rife that the Bank of Japan (BoJ) would taper its bond buying at its next monetary policy meeting on June 13-14, allowing markets to drive rates more, in a further shift away from its highly stimulative policy stance. BoJ Governor Kazuo Ueda has asserted that the central bank would be ready to step in to avoid a sharp tightening in financial conditions, however.

Index	07/06/2024	31/05/2024	29/12/2023	Week/Week	Year-to-Date
Dow Jones	38,798.99	38,686.32	37,689.54	0.29%	2.94%
S&P 500	5,346.99	5,277.51	4,769.83	1.32%	12.10%
NASDAQ 100	19,000.95	18,536.65	16,825.93	2.50%	12.93%
FTSE 100	8,245.37	8,275.38	7,733.24	-0.36%	6.62%
Euro Stoxx 50	5,051.30	4,983.67	4,521.65	1.36%	11.71%

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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 seven (7) 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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