

WEEKLY NEWSLETTER



July 8th, 2024

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 July 5th, 2024)	Comments
WISYNCO Wisynco Group Limited	P/E: 14.85x P/B: 3.16x Price: \$20.49 Div Yield 1.95%	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: 4.13x P/B: 0.9x Price: \$24.45 Div Yield 1.02%	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: 10.61x P/B: 0.99x Price: \$88 Div Yield 3.98%	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 July 5th, 2024)	Comments
LASD Lasco Distributors	P/E: 12.33x P/B: 1.87x Price: \$5.06 Div Yield 1.98%	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: 10.03x / 8.7x P/B: 0.64x / 0.56x Price: \$12.01 / \$0.07 Div Yield: 5.61% / 6.57%	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: 20.29x P/B: 2.41x Price: \$2.11 Div Yield 1.9%	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 July 5th, 2024)	Comments
PROVENJMD/ PROVENUSD Proven Group Limited	P/E: 10.72x / 10.59x P/B: 0.63x / 0.57x Price: \$20 / \$0.13 Div Yield: 4.26% / 4.33%	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: 13.9x P/B: 2.89x Price: \$2.78 Div Yield 2.59%	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: 9.61x P/B: 5.22x Price: \$3.14 Div Yield 5.94%	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

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 July 5th, 2024)	Comments
JBG Jamaica Broilers Group Limited	P/E: 5.63x P/B: 1.34x Price: \$34.3 Div Yield 2.51%	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: 20.99x P/B: 2.09x Price: \$81.67 Div Yield 2.02%	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: 11.11x P/B: 2.04x Price: \$6.4 Div Yield 1.88%	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 July 5th, 2024)	Comments
GK GraceKennedy Limited	P/E: 9.38x P/B: 0.9x Price: \$73.56 Div Yield 2.95%	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: 21.9x P/B: 10.18x Price: \$2.19 Div Yield 5.02%	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: 7.74x P/B: 1.11x Price: \$45.41 Div Yield 2.97%	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 July 5th, 2024)	Comments
FTNA Fontana Limited	P/E: 16.89x P/B: 3.53x Price: \$7.94 Div Yield 2.52%	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: 25.81x P/B: 14.66x Price: \$23.69 Div Yield 3.96%	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: 10.76x P/B: 4.44x Price: \$3.43 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

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 July 5th, 2024)	Comments
VMIL Victoria Mutual Investments Limited	P/E: 5.67x P/B: 0.87x Price: \$2.61 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

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 July 5th, 2024)	Comments
SOS Stationery & Office Supplies Limited	P/E: 13.83x P/B: 2.62x Price: \$1.66 Div Yield 1.34%	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: 11.9x P/B: 1.64x Price: \$40.1 Div Yield 3.05%	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 July 5th, 2024)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): \$91.72/ \$92.21 Yield to Maturity (Bid/Ask): 5.74%/5.62% Maturity: May 1st, 2029 Modified Duration: 4.27 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): \$95.29/\$95.82 Yield to Maturity (Bid/Ask): 6.71%/6.54% Maturity: May 13th, 2028 Modified Duration: 3.38 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): \$102.34/\$102.55 Yield to Maturity (Bid/Ask): 5.31%/5.14% Maturity: October 15th, 2025 Modified Duration: 1.18 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): \$92.75/\$93.29 Yield to Maturity (Bid/Ask): 5.51%/5.38% Maturity: April 1st, 2029 Modified Duration: 4.20 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.

***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	28/06/2024	19/06/2024	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	78.8302	75.43	4.51%	-2.12%	0.61%	-
Money Market	16.6973	16.6662	0.19%	2.49%	4.87%	5.53%
Income Portfolio	100	100.00	-	-	-	6.00%
FX Bond Portfolio (US\$)	1.4642	1.4626	0.11%	2.83%	6.34%	5.08%
Real Estate Portfolio	16,173.05	16,167.94	0.03%	28.47%	31.94%	-
FX Growth Portfolio	1.0968	1.0863	0.97%	15.07%	22.99%	-
FX Income Accumulator Portfolio	1.0199	1.0208	-0.09%	0.48%	1.14%	3.47%

“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 July 5, 2024, the local stock market, measured by the Combined Index, was stable. The Main Market Index advanced by 0.11%, the Junior Market Index declined by 1.23%, and the JSE USD Equities Index declined by 0.90%. During the week, Ttech Limited was the largest gainer, rising by approximately 15.46% to close at \$2.39. JMMB Group Limited 8.50% USD was the biggest decliner, which fell by 15.00% to close at \$1.06.

Small-cap stocks, reflecting those listed on the Junior Market Index are overperforming on a YTD basis, decreasing by 1.37%, relative to its Main Market counterpart which has declined by 1.98%.

For the week ending July 5, 2024, overall market activity resulted from trading in 120 stocks of which 48 advanced, 62 declined and 10 traded firm. Market volume amounted to 63,708,700 units valued at over \$166,134,764.24. Edufocal Limited was the volume leader with 15,269,883 units (23.94%), followed by Wigton Windfarm Limited with 10,386,271 units (16.28%), and by Transjamaican Highway Limited with 7,095,761 units (11.12%).

Revisiting relevant news during the week:

Hurricane Beryl triggers surge in insurance claims

It's still early days since the passage of Hurricane Beryl but the latest information from large insurance firms indicates that claims were steadily trending up on Friday as clients sought payouts for wind- and flood-induced property damage.

Hurricane Beryl triggers surge in insurance claims

PBS completes US\$126-m syndicated loan and Xerox acquisitions

Productive Business Solutions Limited (PBS) has successfully completed the acquisition of Xerox del Peru, SA and Xerox del Ecuador, SA, at the same time it executed a US\$126-million (\$19.55-billion) syndicated loan through Citibank N.A.

PBS completes US\$126-m syndicated loan and Xerox acquisitions

JAMAICA TAPS OWN FUNDS FOR HURRICANE RECOVERY

Finance Minister Dr Nigel Clarke said monies from both the Contingency Fund and the Natural Disaster Fund will be tapped to help finance the recovery spending in the aftermath of Hurricane Beryl. The funds are part of a multi-layered set of financing the Government has put in place to help the country "respond, recover and rebuild" after natural disasters.

JAMAICA TAPS OWN FUNDS FOR HURRICANE RECOVERY

BOJ to conduct full assessment of Beryl's impact

Senior deputy governor of the Bank of Jamaica (BOJ), Wayne Robinson, said the central bank will use the next few weeks to conduct a full assessment of damage associated with Hurricane Beryl before taking a position on any adjustments to monetary policy.

BOJ to conduct full assessment of Beryl's impact

JSE 'toughens' up

Productive Business Solutions (PBS) and IronRock Insurance Company (ROC) are the latest entities to have trading in their shares suspended as the Jamaica Stock Exchange (JSE) tightens the leash on companies breaching its rules. Both entities were suspended because their financial statements are late.

JSE 'toughens' up

Agro-processors start to rebuild and recover

Agro-processing companies operating huge farms in the country are reporting extensive damage to their crops, with at least one, Jamaica Producers, saying it has lost most of its banana plants and warns of shortages over the next few months.

Agro-processors start to rebuild and recover

Index	05/07/2024	28/06/2024	29/12/2023	Week/Week	Year-to-Date
JSE Main Market	319,256.54	318,919.87	325,699.79	0.11%	-1.98%
JSE Junior Market	3,795.79	3,843.23	3,848.33	-1.23%	-1.37%
JSE Combined Market	332,512.31	332,526.55	339,158.12	0.00%	-1.96%
JSE USD Equities Market	234.55	236.67	231.05	-0.90%	1.51%
JSE Financial Index	67.15	66.85	70.65	0.45%	-4.95%
JSE M&D Idex	105.21	105.04	102.94	0.16%	2.21%

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.

Exceptionally narrow advance continues on falling interest rates

The S&P 500 Index continued to climb to record highs, although the market's gains remained notably narrow. As measured by Russell 1000 indexes, growth shares outperformed value stocks by 415 basis points (4.15 percentage points), while the small- and mid-cap benchmarks recorded losses. The technology-heavy Nasdaq Composite ended the week 73.71% off its lows since the market began its rebound in mid- to late-2022, while the more value-oriented and narrowly focused Dow Jones Industrial Average had gained less than half of that amount, 32.79%.

Expectations for lower interest rates, fed by signs of weakening growth and easing inflation pressures, seemed to remain a major factor in favoring growth stocks by placing a lower implied discount on future earnings. On Monday, the Institute for Supply Management (ISM) posted its lowest reading of manufacturing activity (48.5, with levels below 50.0 indicating contraction) since February. A separate reading also showed a surprise contraction in construction activity.

Activity slumps in services

More surprising may have been a sharp downturn in the ISM's gauge of current services sector activity, reported Wednesday, which plunged a full five points into contraction territory, from 53.8 in May to 48.8 in June—its lowest level since soon after the start of the pandemic lockdowns in early 2020. Respondents to the survey noted that high gas prices and worries over elevated restaurant menu prices seemed to be weighing on consumers, but the survey's chief researcher and some other observers expressed hope that the drop would prove an anomaly. Notably, S&P Global's rival survey still indicated continued expansion and even a slight acceleration in the sector, rising from 55.1 to 55.3.

Core PCE inflation slows

Likewise, the week's important jobs data offered mixed evidence on the health of the economy. On Tuesday, the Labor Department's so-called JOLTS report revealed that job openings rose slightly to 8.14 million in May, but from a downwardly revised 7.9 million in April—the lowest level in over three years. Similarly, payroll processor ADP's tally of private sector job growth, released Wednesday, fell more than expected, from 160,000 in May to 150,000 in June.

Europe

In local currency terms, the pan-European STOXX Europe 600 Index ended 1.01% higher. Political jitters eased as the far right in France failed to win an outright majority in the first round of legislative elections on June 30. Meanwhile, the Labour Party won the UK general election on July 4 with a large majority. Major stock indexes also rose, with France's CAC 40 Index climbing 2.62%, Germany's DAX gaining 1.32%, and Italy's FTSE MIB putting on 2.51%. The UK's FTSE 100 Index added 0.49%.

Labour wins UK election; French far right leads ahead of second round

In the UK, Sir Keir Starmer's Labour Party won a resounding victory in the UK's general election, ending 14-years of turbulent Conservative rule. Rachel Reeves will be the country's first female Chancellor of the Exchequer (finance minister). The week was marked by heightened political uncertainty after Marine Le Pen's far-right National Rally won the largest share of the vote in the first round of the French parliamentary election, inflicting heavy losses on President Emmanuel Macron's Ensemble, which came in third, behind the left-wing New Popular Front.

ECB's Lagarde slightly hawkish; minutes show division over June cut

Speaking at the European Central Bank's (ECB's) annual retreat in Portugal, ECB President Christine Lagarde appeared to strike a slightly more hawkish tone. She said that Europe is "still facing several uncertainties regarding future inflation, especially in terms of how the nexus of profits, wages and productivity will evolve and whether the economy will be hit by new supply-side shocks." She added: "It will take time for us to gather sufficient data to be certain that the risks of above-target inflation have passed." Meanwhile, minutes from the ECB's June meeting showed some members opposed the first rate cut since 2019 because wage growth had surprised to the upside and inflation seemed to be stickier. A final estimate of eurozone inflation confirmed that the year-over-year change in consumer prices ticked lower in June to 2.5%. However, a crucial services component remained stubbornly high, likely reinforcing the ECB's case for caution.

Japan

Japan's stock markets gained ground, with the Nikkei 225 Index climbing 3.36% and the broader TOPIX Index advancing 2.65% in local currency terms. Both indexes hit all-time highs during the week, propelled in part by weakness in the Japanese yen, which is typically a tailwind for export-focused industries. The yen strengthened a bit later in the week. The yield on Japan's 10-year sovereign bonds climbed to about 1.1%—its highest level since 2011—before easing somewhat with U.S. Treasury yields later in the week.

T.RowePrice

Index	05/07/2024	28/06/2024	29/12/2023	Week/Week	Year-to-Date
Dow Jones	39,375.87	39,118.86	37,689.54	0.66%	4.47%
S&P 500	5,567.19	5,460.48	4,769.83	1.95%	16.72%
NASDAQ 100	20,391.97	19,682.87	16,825.93	3.60%	21.19%
FTSE 100	8,203.93	8,164.12	7,733.24	0.49%	6.09%
Euro Stoxx 50	4,979.39	4,894.02	4,521.65	1.74%	10.12%

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 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

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.