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Analyst Insight

Daren McGregor
Head: Investment Research & Portfolio Advisory

Fixed Income Strategies Amidst Global Uncertainty

In 2025, the reintroduction and escalation of tariffs by the U.S. administration have intensified geopolitical tensions and trade hostilities, particularly with key trading partners such as Canada, Mexico, and China. These developments have driven global economic policy uncertainty to unprecedented levels; notably, at the end of January 2025, the Global Economic Policy Uncertainty Index, a widely followed measure of policy-related uncertainty based on media coverage of policy-related economic risks, stood at a record high of 460.18, marking an 88% increase year-over-year. This surge has led to increased market volatility and economic uncertainty, raising concerns about potential stagflationary pressures and the risk of recession. Fixed income investors are now compelled to reassess their strategies to effectively navigate the immediate risks and long-term implications of this evolving trade landscape.

Trade War Dynamics and Economic Implications

The current economic climate is marked by escalating trade disputes, notably the implementation of substantial tariffs by the U.S. administration. According to the Tax Foundation, these tariffs, along with the retaliation are projected to reduce long-run U.S. GDP by 1.0%, decrease the capital stock by 0.7%, and result in a loss of approximately 881,000 full-time equivalent jobs. On a household level, the imposed and scheduled tariffs amount to an average tax increase of approximately $1,280 in 2025, reducing after-tax incomes by an average of 1.3%. Such measures are anticipated to exert inflationary pressures and potentially dampen economic growth, thereby posing significant implications for fixed income markets sensitive to shifts in growth, inflation, and monetary policy dynamics.

Strategic Portfolio Duration Positioning

In response to anticipated economic deceleration and heightened market volatility, an appropriate posture typically involves extending portfolio duration in higher quality securities to benefit from declining yields. However, recent inflation data supports a more nuanced approach. In April 2025, the University of Michigan's one-year inflation expectation survey reflected an outturn of 6.7%. Meanwhile, core PCE inflation, the Fed’s preferred inflation gauge, rose just 2.8% year-over-year at the end of February 2025. This widening gap between inflation expectations and realized inflation reflects a growing market perception that current price stability may be short-lived.

This decoupling suggests that yields could face upward pressure should market participants demand greater compensation for future inflation risk. As such, while the macroeconomic backdrop and increasingly neutral, but still dovish Fed posture support some duration exposure, investors are advised to moderate the extent of duration exposure, perhaps within the three to five-year range and maintain tactical flexibility. A balanced approach, that preserves the ability to pivot can help manage volatility and downside risk if inflation expectations continue to rise unexpectedly.

Identifying Sectoral Opportunities and Risks

Treasury Securities: Treasury bonds remain particularly attractive during heightened economic policy and geopolitical uncertainty due to their safe-haven characteristics and predictable returns. According to research by Guggenheim Partners, historical data demonstrates that in periods when the U.S. Economic Policy Uncertainty Index exceeds its long-term average, U.S. Treasury securities notably outperform equities and lower-rated fixed income instruments. Specifically, since 1986, in periods of high policy uncertainty, Treasury returns have typically exceeded equity returns by more than 10 percentage points annually, underscoring their appeal as a defensive asset class with relatively low volatility.

Investment Grade Corporates: Investment-grade corporate bonds have historically demonstrated resilience and favourable performance amidst rising policy uncertainty and geopolitical risk. The predictability of investment-grade corporate returns, combined with lower volatility compared to equities and high-yield bonds, makes them particularly appealing during uncertain economic times. Historical performance data reveals that during significant spikes in economic policy uncertainty, investment-grade corporates consistently deliver higher and more stable returns relative to riskier assets. Thus, while acknowledging potential spread widening due to economic headwinds, a cautious yet targeted approach to selecting high-quality corporate bonds remains prudent.

High-Yield Bonds: Conversely, high-yield bonds have historically exhibited pronounced underperformance and higher volatility during periods of elevated economic policy and geopolitical uncertainty. The heightened sensitivity of high-yield debt to economic conditions and default risk contributes significantly to its volatility and inferior returns under uncertain market conditions. Empirical evidence confirms that when economic policy uncertainty spikes substantially above historical averages, high-yield bonds frequently suffer negative returns, reinforcing the recommendation to minimize or avoid high-yield exposure in current circumstances.

Tactical Recommendations and Risk Management

Given the current trajectory of rising economic policy uncertainty, investors are advised to align their portfolio allocations with historical patterns that favour high-quality fixed income. Emphasizing shorter spread durations, prioritizing quality over yield, and maintaining liquidity to dynamically adjust positions remain critical strategies. Monitoring key indicators such as the Economic Policy Uncertainty Index can further guide timely adjustments to fixed-income exposures, allowing investors to capitalize effectively on evolving market dynamics.

Conclusion

Navigating fixed income markets amidst heightened global uncertainty necessitates disciplined risk management, cautious duration extension, and a skew towards higher quality segments of the bond market. The current environment presents significant challenges but equally substantial opportunities for investors who leverage insights derived from historical analyses of policy-driven market volatility. Strategic flexibility, prudent credit selection, and an informed understanding of economic policy uncertainty dynamics remain essential to achieving superior risk-adjusted returns.

Regards

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at April 11th, 2025)	Comments
WISYNCO Wisynco Group Limited	P/E: 16.15x P/B: 2.89x Price: $21 Div Yield 2.19%	**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: N/A P/B: 0.72x Price: $20.28 Div Yield 1.23%	**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: 10.11x P/B: 0.88x Price: $78.55 Div Yield 4.64%	**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

UNDERWEIGHT
Reduce exposure in your portfolio to less than 5% for this particular asset

MARKETWEIGHT/HOLD
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Investment Playbook

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LASD Lasco Distributors	P/E: 12.15x P/B: 1.55x Price: $4.5 Div Yield 2.4%	**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: 4.76x / 4.43x P/B: 0.59x / 0.55x Price: $11.95 / $0.07 Div Yield: 6.17% / 6.63%	**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: 103.5x P/B: 2.41x Price: $2.07 Div Yield 0%	**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: 0.72x / 0.69x Price: $16.58 / $0.11 Div Yield: 3.11% / 2.95%	**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: 16.05x P/B: 2.88x Price: $3.05 Div Yield 2.3%	**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: 9.26x P/B: 4.44x Price: $3.68 Div Yield 5.18%	**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: 8.03x P/B: 1.02x Price: $26.73 Div Yield 2.78%	**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: 20.8x P/B: 2.07x Price: $84.24 Div Yield 2.15%	**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: 11.18x P/B: 2.05x Price: $7.11 Div Yield: 2.1%	**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: 8.62x P/B: 0.79x Price: $72.63 Div Yield 3.25%	**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: 23.5x P/B: 6.69x Price: $2.35 Div Yield 1.11%	**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: 7.7x P/B: 1.09x Price: $52.57 Div Yield 3.23%	**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: 20.59x P/B: 3.97x Price: $9.47 Div Yield 2.64%	**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: 29.77x P/B: 10.05x Price: $20.25 Div Yield 2.64%	**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: 14.97x P/B: 3.6x Price: $2.76 Div Yield 3.52%	**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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Monitoring List

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SOS Stationery & Office Supplies Limited	P/E: 15x P/B: 2.17x Price: $1.5 Div Yield 0%	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: 17.42x P/B: 1.55x Price: $41.28 Div Yield 3.32%	Sagicor Group Jamaica Limited would have been adversely impacted by the pandemic even more so than the typical financial sector company due to their exposure to the tourism sector. This would have therefore led to sizeable impairment losses on their investment in associated companies (I.e., Playa Hotel and Resorts). For 2022 we therefore expect to see some amount of recovery as the group has disposed of their investments in Playa which will stem impairment losses while simultaneously still having direct exposure to travel through their US resort (The Hilton DoubleTree) while their banking services should benefit from a pickup in economic activity.

***The "Monitoring List" 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.*

Monitoring List

Fixed Income

Bond & Issuer	Bond Information (as at April 11th, 2025)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): $92.10/ $92.52 Yield to Maturity (Bid/Ask): 5.97%/5.85% Maturity: May 1st, 2029 Modified Duration: 3.60 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 Sagicor Financial Corporation	Price (Bid/Ask): $97.44/$97.90 Yield to Maturity (Bid/Ask): 6.20%/6.05% Maturity: May 13th, 2028 Modified Duration: 2.73 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 Ivari 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): $100.25/$100.54 Yield to Maturity (Bid/Ask): 6.73%/6.13% Maturity: October 15th, 2025 Modified Duration: 0.47 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): $91.00/$91.48 Yield to Maturity (Bid/Ask): 6.35%/6.21% Maturity: April 1st, 2029 Modified Duration: 3.59 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	10/04/2025	03/04/2025	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	76.360	78.98	-3.31%	-6.49%	-2.06%	-
Money Market	17.4697	17.4588	0.06%	2.00%	6.29%	5.35%
Income Portfolio	100.00	100.00	-	-	-	4.74%
FX Bond Portfolio (US$)	1.5051	1.5012	0.26%	1.34%	4.81%	4.63%
Real Estate Portfolio	17,515.41	17,467.12	0.28%	0.72%	8.26%	-
FX Growth Portfolio	1.1248	1.1596	-3.00%	8.72%	8.72%	-
FX Income Accumulator Portfolio	1.0322	1.0357	-0.34%	0.12%	1.82%	3.01%

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

Warren Buffett

LOCAL EQUITY MARKET

For the week ending April 11, 2025, the local stock market, measured by the Combined Index, declined by 2.68%. The Main Market Index declined by 2.70%, the Junior Market Index declined by 2.46%, and the JSE USD Equities Index declined by 2.37%. During the week Caribbean Cream Limited was the largest gainer, rising by approximately 15.08% to close at $2.29. MFS Capital Partners Limited was the biggest decliner, which fell by 14.29% to close at $0.36.

Large-cap stocks, reflecting those listed on the Main Market Index are outperforming on a YTD basis, declining by 6.01%, relative to its Junior Market counterpart which has declined by 7.10%.

For the week ending April 11, 2025, overall market activity resulted from 110 stocks of which 41 advanced, 46 declined and 23 traded firm. Market volume amounted to 261,682,209 units valued at over $1,832,854,773.68. Key contributors to trading volume are TransJamaican Highway Limited with 6,368,410 units (38.36%), followed by Wigton Energy Limited With 1,866,491 units (11.24%) and Sagicor Select Funds Limited - Financial with 1,771,231 units (10.67%).

Revisiting relevant news during the week:

Trump tariff hike brings added China rate for many goods to 145%

WASHINGTON, DC, United States (AFP) — US President Donald Trump's steep tariff hike targeting Chinese goods, which took effect Thursday, brings Washington's additional rate on many products to 145 per cent, the White House confirms.
Trump tariff hike brings added China rate for many goods to 145%

Local manufacturers urged to brace for tariff impact

Local businesses are being advised to prepare for higher prices and seek out opportunities as global tariff shifts begin to reshape trade dynamics.
Local manufacturers urged to brace for tariff impact

NIF buys 4% of Barita for $3.7 billion

The National Insurance Fund (NIF) recently spent $3.67 billion for an additional four per cent stake in Barita Investments Limited as it ramps up investment activities to meet its growing funding obligations.
NIF buys 4% of Barita for $3.7 billion

OPEC cuts 2025 oil demand forecast over US tariffs

PARIS, France (AFP) — OPEC slightly lowered its forecast for oil demand growth on Monday, citing the impact of US tariffs on the world economy.
The Saudi-led oil cartel said in a monthly report that it now expects demand to grow by 1.3 million barrels per day (bpd) in 2025, down from a previous forecast of 1.4 million bpd.
OPEC cuts 2025 oil demand forecast over US tariffs

Pulse in transition mode

Pulse Investments Limited is recalibrating its leadership and business strategy following the death of its co-founder and long-time Chairman Kingsley Cooper, with new Managing Director Safia Cooper charting a path of modernization anchored in hospitality, commercial rentals, and a digitally driven model agency.
Pulse in transition mode

Atlantic share price sinks after listing

Atlantic Hardware & Plumbing Company Limited successfully listed on the Jamaica Stock Exchange (JSE) Junior Market last Friday but dipped below its $1 listing price amid a wave of fading investor enthusiasm on its first day of trading.
Atlantic share price sinks after listing

Index	11/04/2025	04/04/2025	31/12/2024	Week/Week	Year-to-Date
JSE Main Market	315,618.69	324,375.52	335,794.94	-2.70%	-6.01%
JSE Junior Market	3,469.81	3,557.50	3,735.05	-2.46%	-7.10%
JSE Combined Market	326,696.71	335,698.49	347,896.22	-2.68%	-6.09%
JSE USD Equities Market	214.77	209.80	251.88	2.37%	-14.73%
JSE Financial Index	64.89	67.31	68.41	-3.60%	-5.15%
JSE M&D Index	105.36	107.93	110.44	-2.38%	-4.60%

INTERNATIONAL DEVELOPMENTS

U.S.

Trade policy uncertainty leads to volatile week for U.S. stocks

U.S. stocks closed higher after a volatile week in which a slew of trade-related headlines continued to dominate investor sentiment. The week opened with equities sharply lower, extending losses from the prior week, as negative sentiment intensified ahead of Wednesday's implementation of the Trump administration's latest round of tariffs. However, on Wednesday, President Donald Trump announced that he was authorizing a 90-day pause on the higher reciprocal tariffs for most countries, effective immediately, to allow time for negotiations. The news sent stocks rocketing higher, with the Nasdaq Composite gaining over 12% and logging its second-best day on record.

Notably, however, the Trump administration excluded China from the 90-day pause, instead announcing several increases to tariffs on Chinese goods throughout the week (up to 145%), while China responded with several increases to levies on U.S. imports (up to 125%). The escalating trade war between the world's two largest economies—and concerns about the broader impact it could have on global economic growth—appeared to dampen some of Wednesday's positive sentiment, which led to stocks giving back some gains on Thursday. Once the dust settled, the S&P 500 Index finished up 5.70% for the week, while the Nasdaq Composite closed 7.29% higher. The Russell 2000 Index lagged but still posted 1.82% gains.

Fed officials taking a "cautious approach" amid heightened uncertainty

Meanwhile, the Federal Reserve released minutes from its March policy meeting on Wednesday. According to the minutes, policymakers "generally saw increased downside risks to employment and economic growth and upside risks to inflation while indicating that high uncertainty surrounded their economic outlooks." Meeting participants also "judged that inflation was likely to be boosted this year by the effects of higher tariffs," and most members favored a "cautious approach" to monetary policy amid "uncertainty about the net effect of an array of government policies on the economic outlook."

Europe

In local currency terms, the pan-European STOXX Europe 600 Index ended 1.92% lower as trade tensions intensified. However, markets rebounded, narrowing losses, after U.S. President Donald Trump said that he would delay the imposition of "reciprocal" tariffs for most trading partners. Major stock indexes fell. Germany's DAX declined 1.30%, Italy's FTSE MIB decreased 1.79%, and France's CAC 40 Index lost 2.34%. The UK's FTSE 100 Index slipped 1.13%..

Central banks raise vigilance as markets seesaw

The market turmoil sparked by Trump's tariff announcements prompted central banks in the eurozone and the UK to step up their monitoring of financial institutions and markets. The European Central Bank called on banks to check on deposits and other forms of funding more frequently. The Bank of England (BoE) asked lenders for information about market liquidity and whether hedge funds and other clients were facing problems. The BoE also amended its schedule for bond sales in the second quarter in response to market volatility, delaying auctions of long-dated gilts. Meanwhile, its Financial Policy Committee warned that there could be further market corrections. It highlighted that the fragmentation of global trade and stress in financial markets could harm financial stability by depressing economic growth.

Industry output in Germany and Italy shrinks; Italian economy falls short in 2024

German industrial production contracted in February by 1.3% sequentially, after increasing 2% in January. Output declined in the construction, energy, and food industries. However, expansion in electrical equipment manufacturing partially offset the losses. In Italy, industrial output fell 0.9% sequentially in February and 0.7% in the December-February quarter.

Japan

Tariffs weigh on Japanese stocks

Japan's stock markets fell over the week, with both the Nikkei 225 Index and the broader TOPIX Index down around 0.6%. The indexes plunged on Monday as the sell-off triggered by the U.S. administration's aggressive tariffs and fears about a global trade war intensified. Japanese banks suffered some of the sharpest declines on the day.

T. Rowe Price

Index	11/04/2025	04/04/2025	31/12/2024	Week/Week	Year-to-Date
Dow Jones	40,212.71	38,314.86	42,544.22	4.95%	-5.48%
S&P 500	5,363.36	5,074.08	5,881.63	5.70%	-8.81%
NASDAQ 100	18,690.06	17,397.70	21,012.17	7.43%	-11.05%
FTSE 100	7,964.18	8,054.98	8,173.02	-1.13%	-2.56%
Euro Stoxx 50	4,787.23	4,878.31	4,869.28	-1.87%	-1.69%

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.

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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