May 26th, 2026

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at May 22nd, 2026)	Comments
SEP Seprod Limited	P/E: 11.5x P/B: 1.51x Price: $82.21 Div Yield 3.13%	**OVERWEIGHT** Seprod remains a leading food and beverage company with a strong track record of revenue growth and dividend generation, supported by strategic acquisitions and regional expansion. The acquisition of AS Bryden significantly enhanced scale, driving substantial increases in revenue and profitability, while ongoing consolidation continues to support earnings growth. Geographic diversification and a broader regional footprint also provide resilience against domestic demand pressures in post-Melissa conditions, while supporting the Company's ability to sustain earnings and dividend generation.
TJH TransJamaican Highway Limited	P/E: 14.85x P/B: 7.42x Price: $7.9 Div Yield 3.23%	**OVERWEIGHT** The Group continues to experience stronger-than-projected traffic growth, and this momentum is expected to persist in the near term. Operational efficiency has improved following the JIO acquisition, supporting enhanced profitability and cash flow generation as debt levels continue to decline. Coupled with an attractive dividend yield, these factors position TJH as a compelling opportunity for income-focused investors, with post-Melissa recovery dynamics expected to provide additional support to traffic volumes and overall growth.
CCC Caribbean Cement Company Limited	P/E: 12.6x P/B: 2.47x Price: $103.17 Div Yield 1.97%	**OVERWEIGHT** Caribbean Cement Company Limited presents a compelling investment opportunity, driven by its dominant market positioning, financial resilience, and exposure to an attractive growth trajectory. The Company has effectively leveraged its monopoly position to sustain strong sales growth and improving profitability, supported by ongoing margin expansion and lower finance costs following debt reduction. Its robust liquidity and capital base provide a solid foundation for continued expansion and consistent dividend distributions. Looking ahead, demand is expected to remain resilient, driven by rebuilding activity in the post-Melissa environment and increased infrastructure and housing investment across the Caribbean, supporting the Company's medium-term growth outlook.

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

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LASD Lasco Distributors	P/E: 9.48x P/B: 0.98x Price: $3.03 Div Yield 4.06%	**MARKETWEIGHT** LASCO Distributors has continued its growth trajectory, supported by steady demand across its core product lines and ongoing market expansion. The Company is strengthening its platform through investments in distribution, marketing, and logistics infrastructure, alongside a growing focus on exports and its pharmaceutical portfolio. While operations remained intact during Hurricane Melissa, broader economic disruptions have contributed to higher operating and financing costs, weighing on margins. Despite this, cost discipline has supported earnings stability. In the current environment, LASD's focus on essential goods and its expanding distribution network position it to remain resilient while supporting longer-term growth.
SCIJMD/SCIUSD Sygnus Credit Investments	P/E: 17.27x / 16.22x P/B: 0.5x / 0.47x Price: $10.21 / $0.06 Div Yield: 5.29% / 5.63%	**MARKETWEIGHT** Sygnus' business model is built on providing capital and direction to the underbanked, targeting the middle market. To support this strategy, the Company has executed several capital raises across equity, preference shares and debt, positioning it as a regional leader in private credit. Although Jamaica accounts for approximately 41% of total exposure, portfolio risk is mitigated by a sector mix weighted toward infrastructure and financial services, with limited exposure to hospitality and agriculture. This composition materially reduces earnings and credit headwinds in the post-Melissa environment. This cash flow stability also supports consistent income generation, and a strong dividend yield reinforcing return visibility within a more defensive earnings profile.
LASM Lasco Manufacturing	P/E: 10.33x P/B: 1.69x Price: $6.62 Div Yield 2.88%	**MARKETWEIGHT** LASCO Manufacturing has faced a more constrained operating environment, with Hurricane Melissa disrupting production and weighing on output and margins in the near term. Despite this, the Company has demonstrated gradual stabilization, supported by cost management and consistent demand for its core product lines. As a key supplier within the LASCO group, LASM continues to benefit from its positioning in essential goods, although near-term performance may remain pressured. Over the medium term, normalization of operations and continued focus on efficiency are expected to support recovery and earnings growth.

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GK GraceKennedy Limited	P/E: 9.9x P/B: 0.73x Price: $70.18 Div Yield 3.38%	**MARKETWEIGHT** GK has reported solid top-line growth and continues to advance its merger & acquisition (M&A) strategy, having increased its ownership stake in Catherine's Peak Bottling Company Limited to 100% and recently acquiring the remaining stake in Dairy Industries (Jamaica) Limited, strengthening its position across key segments. The company continues to pursue M&A opportunities both locally and internationally, which should enhance earnings diversification and support long-term growth. While revenue growth remains steady, profitability has been pressured by higher operating and logistics costs, softer performance in certain domestic and remittance segments, and more recently, disruptions related to Hurricane Melissa. Despite these challenges, GK's diversified business model, strong international performance, and continued expansion efforts position the Group to maintain resilience and support future growth.
FTNA Fontana Limited	P/E: 18.65x P/B: 2.67x Price: $6.9 Div Yield 3.62%	**MARKETWEIGHT** Fontana has been growing and expanding since listing on the junior exchange in 2019, with recent acquisitions increasing its footprint to eleven locations. In its most recent quarter, revenue grew by 5.6% year-on-year to $2.86 billion; however, net profit declined by 38%, largely due to disruptions caused by Hurricane Melissa, including temporary store closures and reduced trading hours in key locations. Operating expenses also increased by 22.2%, reflecting acquisition-related costs and new concept launches. While operations have since normalized, elevated cost pressures may continue to weigh on profitability in the near term. Nonetheless, the Company remains well positioned to support continued expansion, and its larger network is expected to drive long-term growth.
SVL Supreme Ventures Limited	P/E: 22.14x P/B: 8.88x Price: $17.1 Div Yield 4.22%	**MARKETWEIGHT** Supreme Ventures remains the market leader in Jamaica's lottery and gaming industry, supported by its established distribution network and continued product expansion. The Company has executed on its growth strategy through acquisitions and new product offerings, which have supported steady market activity and revenue generation. However, the operating environment has become more challenging, as Hurricane Melissa disrupted activity in key western parishes, contributing to a decline in industry sales and highlighting the sector's geographic concentration. Additionally, the continued shift in consumer spending toward gaming and betting, however increasing competition within the lottery segment, may place pressure on margins over the medium term. While new products such as Scratchaz support engagement, the pace of growth will depend on sustained consumer uptake and normalization of activity in affected regions.

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WISYNCO Wisynco Group Limited	P/E: 16.11x P/B: 2.41x Price: $19.49 Div Yield 2.37%	**MARKETWEIGHT** The operating environment is becoming more constrained, as hurricane-related hotel closures continue to limit demand from key tourism-linked channels, while newly implemented taxes on sugary drinks and alcoholic beverages are expected to weigh on consumption across core product categories. Wisynco, however has strengthened its operational efficiency and expanded production capacity in recent years, supporting revenue growth and margin expansion even amid disruptions caused by Hurricane Melissa. Improved output and distribution execution have allowed the Company to offset temporary weakness in its hotel and food service channels, highlighting the resilience of its broader distribution network. Despite these pressures, the Company's expanded capacity and diversified channels continue to support earnings resilience, even as near-term growth moderates within the current operating environment.
SGJ Scotia Group Jamaica Limited	P/E: 8.41x P/B: 0.99x Price: $53.6 Div Yield 3.36%	**MARKETWEIGHT** SGJ offers stable exposure to the financial sector, supported by a strong credit risk framework and relatively low non-accrual loans. Profitability continues to benefit from loan portfolio growth and disciplined cost management, reinforcing steady earnings performance. The Group is also focused on improving operational efficiency and strengthening its core business, which should support sustainable growth over the medium term. Coupled with its consistent and attractive dividend payments, the Company remains a compelling option for income-focused investors seeking stability and long-term value.
CAR Carreras Limited	P/E: 14.44x P/B: 29.81x Price: $22.90 Div Yield 6.51%	**MARKETWEIGHT** Carreras Limited operates within a highly regulated environment and continues to benefit from the relatively inelastic demand profile of its core products, supporting stable revenue and strong cash flow generation. However, the upcoming increase in Special Consumption Tax (SCT) on cigarettes is expected to present headwinds, as higher prices may accelerate the shift toward illicit trade, which already represents a significant portion of market consumption. While the Company has historically managed tax-related pressures through pricing and portfolio adjustments, the extent of the impact will depend largely on the effectiveness of enforcement measures aimed at curbing illegal supply. Despite these challenges, Carreras' strong market position and the nature of its product offering continue to support earnings resilience, particularly within a defensive portfolio context.

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Monitoring List

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JBG Jamaica Broilers Group Limited	P/E: N/A P/B: 0.59x Price: $14.62 Div Yield 0%	The group recently identified accounting issues within its US operations which have affected reported earnings and reduced near-term visibility on cash flow generation. Management has initiated corrective actions, including enhanced oversight and operational adjustments, alongside a broader restructuring of its overseas operations. This is supported by recently secured senior secured financing, which provides additional liquidity and extends the group's debt maturity profile, while the balance sheet has also strengthened following a recent revaluation exercise. Notwithstanding these measures, the group remains under monitoring given the need for consistent execution of the turnaround plan and improved transparency around underlying operating performance.

***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 May 22nd, 2026)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): $96.37/ $96.55 Yield to Maturity (Bid/Ask): 5.10%/5.03% Maturity: May 1st, 2029 Modified Duration: 2.72 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): 100.01/$100.11 Yield to Maturity (Bid/Ask): 5.29%/5.24% Maturity: May 13th, 2028 Modified Duration: 0.08 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.
MAT 3.75% 2029 Mattel Inc	Price (Bid/Ask): $96.63/$96.83 Yield to Maturity (Bid/Ask): 5.03%/4.96% Maturity: April 1st, 2029 Modified Duration: 2.64 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.

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Unit Trust

Unit Trust Fund	21/05/2026	14/05/2026	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	74.084	73.450	0.86%	-3.82%	-2.43%	-
Money Market	18.606	18.597	0.05%	1.75%	6.41%	4.18%
Income Portfolio	100.000	100.000	-	-	-	4.77%
FX Bond Portfolio (US$)	1.681	1.682	-0.02%	1.70%	10.71%	3.88%
Real Estate Portfolio	21,433.004	21,498.081	-0.30%	15.02%	22.20%	-
FX Growth Portfolio	1.470	1.475	-0.35%	4.71%	23.55%	-
FX Income Accumulator Portfolio	1.070	1.068	0.20%	1.55%	3.31%	4.96%

“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 May 22, 2026, the local stock market, measured by the Combined Index, declined by 1.24%. The Main Market Index declined by 1.34%, the Junior Market Index improved by 0.23%, and the JSE USD Equities Index declined by 4.82%. During the General Accident Insurance Company was the largest gainer, rising by approximately 31.80% to close at $8.87. Productive Business Solution Ltd USD Ordinary Shares was the biggest decliner, which fell by 39.13% to close at $0.84.

Large-cap stocks, reflecting those listed on the Main Market Index are outperforming on a YTD basis, improving by 8.49%, relative to its Junior Market counterpart which has declining by 8.49%.

For the week ending May 22, 2026, overall market activity resulted from 127 stocks of which 56 advanced, 60 declined and 11 traded firm. Market volume amounted to 171,793,165 units valued at over $618,307,069.31 Key contributors to trading volume are Kintyre Holdings (JA) Limited with 52,648,742 (29.97%), followed by TransJamaican Highway Limited with 30,035,630 units (17.10%) and Woodcats International Limited with 12,766,972 units (7.27%).

Revisiting relevant news during the week:

JAMAICA BUYS $31-B HURRICANE SHIELD

TEN days before the start of the 2026 Atlantic Hurricane Season, Jamaica has strengthened its financial protection against major hurricanes by securing roughly $31 billion (US$200 million) in new coverage from global capital markets after Hurricane Melissa unleashed destruction equivalent to more than half of the country's economic output last year.
JAMAICA BUYS $31-B HURRICANE SHIELD

Palace bounces back with Q3 profit following insurance payout and hit films

PALACE Amusement Company returned to profit in the third quarter after an insurance payout, lower expenses, and stronger box office releases helped offset falling revenues and the loss of its Montego Bay multiplex following Hurricane Melissa.
Palace bounces back with Q3 profit following insurance payout and hit films

First Rock returns to profit but cash strain persists

FIRST Rock Real Estate Investments returned to profit in 2025 after rental income surged and property values climbed. But the real estate company is still burning cash, restructuring debt and depending heavily on luxury home sales to support liquidity.
First Rock returns to profit but cash strain persists

FESCO posts record year amid fuel pressure

RISING global oil prices are squeezing fuel distributors in Jamaica as local price adjustments lag international market increases, forcing companies such as Future Energy Source Company Limited (FESCO) to absorb tighter profit margins even as revenues continue to grow
FESCO posts record year amid fuel pressure

SOS pushing regional expansion with increased shipments

Stationery & Office Supplies Limited (SOS) is intensifying its regional expansion strategy as it increases export shipments across the Caribbean and looks to venture into more markets in the coming years.
SOS pushing regional expansion with increased shipments

SEPROD PUSHES DEEPER INTO TOURISM SUPPLY CHAIN

More Seprod products are now moving through Caribbean Producers Jamaica Limited's (CPJ) hotel network, while imported CPJ goods once tied closely to the tourism distributor are increasingly finding their way into supermarkets and on retail shelves through Facey Commodities.
SEPROD PUSHES DEEPER INTO TOURISM SUPPLY CHAIN

Index	22/05/2026	15/05/2026	31/12/2025	Week/Week	Year-to-Date
JSE Main Market	344,988.25	349,662.58	317,986.88	-1.34%	8.49%
JSE Junior Market	3,112.72	3,105.67	3,401.41	0.23%	-8.49%
JSE Combined Market	352,201.75	356,619.27	328,444.54	-1.24%	7.23%
JSE USD Equities Market	262.00	275.27	212.16	-4.82%	23.49%
JSE Financial Index	65.17	65.50	64.44	-0.50%	1.13%
JSE M&D Index	117.48	121.59	106.01	-3.38%	10.82%

INTERNATIONAL DEVELOPMENTS

U.S.

Major U.S. stock indexes closed the week higher, with the Dow Jones Industrial Average advancing to an all-time high and the S&P 500 Index rising for the eighth consecutive week, its longest winning streak since 2023. Small-cap and value stocks outperformed large-cap and growth shares, while an equal-weighted version of the S&P 500 outpaced its market cap-weighted counterpart.

After a volatile start to the week, sentiment improved as enthusiasm around artificial intelligence (AI) stocks—supported in part by chipmaker NVIDIA's stronger-than-expected earnings results—helped offset uncertainty surrounding the Middle East conflict. Additionally, while headlines around a possible deal between the U.S. and Iran remained fluid and sometimes conflicting, investors generally appeared to see negotiations as more likely than escalating military action.

PMI data show modest growth and surging price pressures

In economic news, S&P Global released its May Flash Purchasing Managers' Index (PMI) data on Thursday, which pointed to modest but uneven growth. The composite output index held steady at 51.7 during the month, while manufacturing activity strengthened and services activity softened (readings above 50 indicate expanding economic activity). The flash manufacturing PMI rose to 55.3, its highest level in four years, while the services activity index slipped to a two-month low of 50.9

The inflation components of the survey appeared to be more concerning for investors, as input costs rose at the fastest pace since late 2022 while selling price inflation reached its highest level since August 2022, reinforcing concerns around persistent inflation pressures. The report also noted that employment fell overall, with job losses largely attributed to concerns around rising costs and worsening demand conditions.

Europe

The pan-European STOXX Europe 600 Index ended the week up 3.00% in local currency terms. Most European markets moved higher, propelled by rising hopes of a de-escalation in the Middle East. Among major stock indexes, Germany's DAX closed 3.92% higher, France's CAC 40 Index rose 2.05%, and Italy's FTSE MIB gained 0.80%. The UK's FTSE 100 Index climbed 2.66%.

EU cuts 2026 growth forecasts

The European Commission, the executive body of the European Union (EU), reduced its economic growth forecasts for the eurozone, citing a "major energy shock" and an "already volatile geopolitical and trade environment." It now expects gross domestic product (GDP) to grow 0.9% in 2026, down from the 1.4% growth registered in 2025 and lower than its previous estimate of 1.2%. The commission also updated its 2026 inflation forecast to 3%, up from the 1.9% it had previously expected.

German producer prices rise in April

Producer price inflation hit 1.7% in April, its highest level since May 2023. The rise was driven largely by intermediate goods and mineral oil prices. Capital goods prices also rose, particularly machinery. In contrast, prices for nondurable goods fell, highlighted by foodstuffs such as butter and pork.

Japan

Japan's equity markets rebounded strongly during the week, with the Nikkei 225 Index rising 3.14% and the broader TOPIX Index gaining 0.74%. Sentiment was buoyed by ongoing hopes for U.S.-Iran peace negotiations, with reports indicating some progress despite unresolved sticking points on uranium enrichment and control over the Strait of Hormuz. Oil prices stabilized, which helped support risk appetite. Technology and AI-related shares led the advance, as strong earnings within some semiconductor companies revived global enthusiasm for the AI investment theme and lifted Japan's chip-linked equities broadly.

T. Rowe Price

Index	22/05/2026	15/05/2026	31/12/2025	Week/Week	Year-to-Date
Dow Jones	50,579.70	49,526.17	48,063.29	2.13%	5.24%
S&P 500	7,473.47	7,408.50	6,845.50	0.88%	9.17%
NASDAQ 100	29,481.64	29,125.20	25,249.85	1.22%	16.76%
FTSE 100	10,466.26	10,195.37	9,931.38	2.66%	5.39%
Euro Stoxx 50	6,019.45	5,827.76	5,791.41	3.29%	3.94%

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.

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