

WEEKLY NEWSLETTER



October 19th, 2026

Investment Playbook
Page 1

Monitoring List
Page 7

Unit Trusts
Page 9

Local Equity Markets
Page 10

International Developments
Page 11

About Us
Page 12

Investment Playbook

EQUITIES

Stock Ticker	Stock Information (as at October 16th, 2026)	Comments
SEP Sepro Limited	P/E: 13.34x P/B: 1.47x Price: \$79.88 Div Yield 2.69%	MARKETWEIGHT Sepro 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: 16.24x P/B: 7.63x Price: \$9.26 Div Yield 3.17%	MARKETWEIGHT 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: 10.66x P/B: 2.55x Price: \$114.31 Div Yield 1.78%	MARKETWEIGHT 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

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 October 16th, 2026)	Comments
LASD Lasco Distributors	P/E: 9.79x P/B: 1.01x Price: \$3.33 Div Yield 3.62%	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: 4.07x / 3.65x P/B: 0.49x / 0.44x Price: \$10.74 / \$0.06 Div Yield: 5.03% / 5.6%	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: 11.78x P/B: 1.88x Price: \$7.97 Div Yield 2.39%	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.

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 October 16th, 2026)	Comments
GK GraceKennedy Limited	P/E: 11.34x P/B: 0.88x Price: \$84.74 Div Yield 2.82%	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: 15.12x P/B: 2.53x Price: \$6.2 Div Yield 4.03%	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: 24.73x P/B: 9.84x Price: \$19.03 Div Yield 4.08%	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.

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 October 16th, 2026)	Comments
WISYNCO Wisynco Group Limited	P/E: 19.01x P/B: 2.58x Price: \$20.72 Div Yield 2.23%	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.

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 October 16th, 2026)	Comments
JBG Jamaica Broilers Group Limited	P/E: N/A P/B: 0.71x Price: \$14.06 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.*

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	Bond Information (as at October 16th, 2026)	Comments
HLT 3.75% 2029 Hilton Domestic Operating	Price (Bid/Ask): \$95.01/ \$95.14 Yield to Maturity (Bid/Ask): 5.90%/5.84% Maturity: May 1st, 2029 Modified Duration: 2.33 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): \$99.09/\$99.30 Yield to Maturity (Bid/Ask): 5.91%/5.77% Maturity: May 13th, 2028 Modified Duration: 1.44 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.
MAT 3.75% 2029 Mattel Inc	Price (Bid/Ask): \$95.84/\$96.00 Yield to Maturity (Bid/Ask): 5.59%/5.52% Maturity: April 1st, 2029 Modified Duration: 2.29 Credit Rating: BBB (S&P) / BBB-(Fitch) / Baa3 (Moody's)	Mattel markets toy products that are sold to its wholesale customers and direct to retail consumers. The Company offers products for children and families, including toys for infants and preschoolers, girls and boys. A rebound in dolls, especially Barbie and Frozen, is the key to Mattel outperforming projections.

***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	15/10/2026	08/10/2026	Week/Week Return	Year-to-Date Return	1 Year Return	Yield
Capital Growth	75.806	76.835	-1.34%	-1.58%	0.97%	-
Money Market	18.918	18.906	0.07%	3.46%	5.18%	4.36%
Income Portfolio	100.000	100.000	-	-	-	4.67%
FX Bond Portfolio (US\$)	1.694	1.695	-0.04%	2.49%	4.18%	0.63%
Real Estate Portfolio	21,369.948	21,348.207	0.10%	14.68%	12.74%	-
FX Growth Portfolio	1.519	1.533	-0.87%	8.22%	9.99%	-
FX Income Accumulator Portfolio	1.072	1.071	0.05%	1.66%	2.59%	5.18%

“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 October 16, 2026, the local stock market, measured by the Combined Index, declined by 1.39%. The Main Market Index declined by 1.52%, the Junior Market Index improved by 0.71%, and the JSE USD Equities Index declined by 1.76%. During the week First Rock Real Estate Investments Limited was the largest gainer, rising by approximately 28.04% to close at \$8.95. Pulse Investments Limited was the biggest decliner, which fell by 24.63% to close at \$1.01.

Large-cap stocks, reflecting those listed on the Main Market Index are outperforming on a YTD basis, improving by 19.56% relative to its Junior Market counterpart which has declined by 7.95%.

For the week ending October 16, 2026, overall market activity resulted from 124 stocks of which 50 advanced, 62 declined and 12 traded firm. Market volume amounted to 108,101,487 units valued at over \$964,631,244.78. Key contributors to trading volume are TransJamaican Highway Limited (USD) with 113,601,903 units (50.81%), followed by TransJamaican Highway Limited with 37,619,479 units (16.83%) and Stanley Motta Limited with 20,010,589 units (8.95%).

Revisiting relevant news during the week:

Food prices drive inflation to 8.6%

JAMAICA'S annual inflation rate climbed to 8.6 per cent in September, its highest level since December 2022, as rising food prices increased pressure on household budgets.

Food prices drive inflation to 8.6%

Barita Financial Group says BPay pilot focused on financial inclusion

Barita Financial Group Limited has announced the controlled pilot rollout of BPay by Barita, a digital wallet offered by Barita Merchant Bank Limited, a deposit-taking institution licensed by the Bank of Jamaica (BOJ).

Barita Financial Group says BPay pilot focused on financial inclusion

Image Plus scans up bigger profits

IMAGE Plus Consultants has earned more in six months than it did during its entire previous financial year, as its expanded diagnostic network handled more than 20,000 scans in the second quarter.

Image Plus scans up bigger profits

Sagikor's Caribbean deal heads to shareholder vote

SAGICOR Group Jamaica Limited shareholders will vote this month on a reorganisation that would exchange their shares for ownership in a larger Caribbean group, bringing the regional businesses under one holding company with its operational headquarters in Jamaica.

Sagikor's Caribbean deal heads to shareholder vote

Knutsford Express makes room for new income

KNUTSFORD Express is looking to rental income and additional business services to broaden its earnings as it prepares to open a Morant Bay depot this month and complete its Mandeville commercial development by year end, following a sharp fall in annual profit.

Knutsford Express makes room for new income

Seprod shareholders approve stock split, share issuance

Seprod Limited is set to split its shares in the coming weeks, preceding a potential new equity offer to raise fresh capital to reduce its debt balances.

Seprod shareholders approve stock split, share issuance

Index	16/10/2026	09/10/2026	31/12/2025	Week/Week	Year-to-Date
JSE Main Market	380,173.09	386,033.03	317,986.88	-1.52%	19.56%
JSE Junior Market	3,130.89	3,108.68	3,401.41	0.71%	-7.95%
JSE Combined Market	385,971.08	391,414.67	328,444.54	-1.39%	17.51%
JSE USD Equities Market	275.17	280.10	212.16	-1.76%	29.70%
JSE Financial Index	75.43	76.07	64.44	-0.84%	17.05%
JSE M&D Index	123.96	125.12	106.01	-0.93%	16.93%

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.

Major U.S. stock indexes closed the week mostly lower as a sharp sell-off in artificial intelligence (AI)-related stocks, hotter-than-expected inflation data, and the start of third-quarter earnings season drove a rotation away from large-cap growth stocks and into more value-oriented and defensive segments of the market. The technology-heavy Nasdaq Composite fared worst, declining 4.48%, followed by the small-cap Russell 2000 Index, which fell 3.05%. Conversely, the Dow Jones Industrial Average added 0.67%. The Russell 1000 Value Index outpaced its growth counterpart by over 550 basis points (5.50 percentage points).

Concerns about the sustainability of AI-related investment appeared to be a major driver of the week's sentiment, with semiconductor and memory stocks facing selling pressure amid heightened scrutiny of financing needs, valuations, and potential returns on AI infrastructure spending. Meanwhile, escalating tensions in the Middle East supported oil prices, providing a tailwind for the energy sector.

Consumer and producer price inflation exceed forecasts

The Bureau of Labor Statistics reported that its consumer price index (CPI) rose 3.7% year over year in September, above consensus estimates for a 3.6% increase and up from the prior month's 3.4% rise. Core CPI, which excludes food and energy costs, rose 2.6% year over year, accelerating from August's 2.4% increase. On a month-over-month basis, gasoline prices rose 9.1%, accounting for more than half of the headline index's increase.

Thursday's producer price index (PPI) report also highlighted accelerating price growth, with wholesale prices increasing 6.3% year over year, well above expectations for a 5.4% gain and the largest annual increase since December 2022.

Meanwhile, comments from Fed Chair Kevin Warsh provided little clarity on what Fed policymakers will decide at their upcoming October meeting, noting that the central bank is no longer in the business of prejudging meeting outcomes and that he wants investors to focus on the economy.

Europe

The pan-European STOXX Europe 600 Index advanced 2.09% in local currency terms. The European earnings reporting season got underway, shifting investors' attention back to corporate fundamentals. However, Middle East tensions and energy prices remained a major market driver. Among major stock indexes, Germany's DAX closed 2.13% higher, France's CAC 40 Index rose 1.97%, while Italy's FTSE MIB nudged up 0.22%. Meanwhile, the UK's FTSE 100 Index climbed 3.13%.

Geopolitical tensions continue to drive markets

Attacks on Saudi infrastructure and shipping around the Strait of Hormuz intensified this week. The prospect of further action against Iran also remained an overhang, keeping European natural gas prices elevated.

AI-related names sell off

Early in the week, concerns shifted from chip availability to whether the enormous AI infrastructure build-out can be financed economically. Questions around leveraged data center investment, AI-related company revenues, and the returns on AI capital expenditure led investors to reduce crowded semiconductor positions. This led European semiconductor stocks to trade lower, contributing to a rotation toward defensive and previously underperforming areas of the market. Technology stocks staged a recovery toward the end of the week.

Japan

Japanese stocks fell over the holiday-shortened week, with markets closed on Monday. The Nikkei 225 Index declined 5.37%, and the broader TOPIX Index was down 0.95%. The technology-heavy Nikkei's significant underperformance reflected pronounced weakness in major AI- and semiconductor-related shares, with losses concentrated in Thursday's sell-off before a partial rebound on Friday. Higher-than-expected U.S. inflation revived concerns about the outlook for interest rates and elevated valuations, while growing scrutiny of the substantial borrowing required to finance AI infrastructure investment further weighed on sentiment. Elevated oil prices and geopolitical uncertainty, particularly surrounding the ongoing conflict in the Middle East and risks to energy supplies, added to investor caution.

T. Rowe Price

Index	16/10/2026	09/10/2026	31/12/2025	Week/Week	Year-to-Date
Dow Jones	52,002.41	51,654.95	48,063.29	0.67%	8.20%
S&P 500	7,659.44	7,811.54	6,845.50	-1.95%	11.89%
NASDAQ 100	29,187.55	30,883.15	25,249.85	-5.49%	15.59%
FTSE 100	10,881.90	10,552.05	9,931.38	3.13%	9.57%
Euro Stoxx 50	6,204.23	6,173.37	5,791.41	0.50%	7.13%

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.