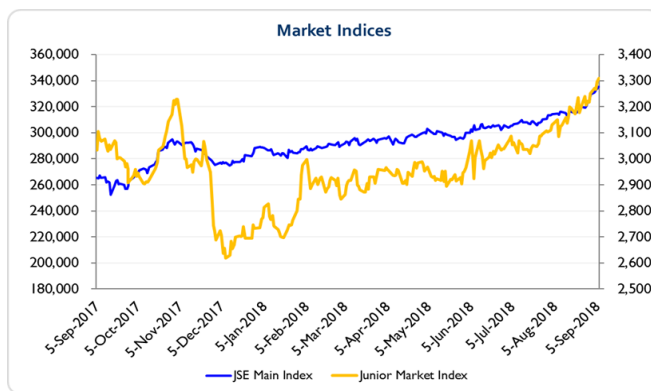
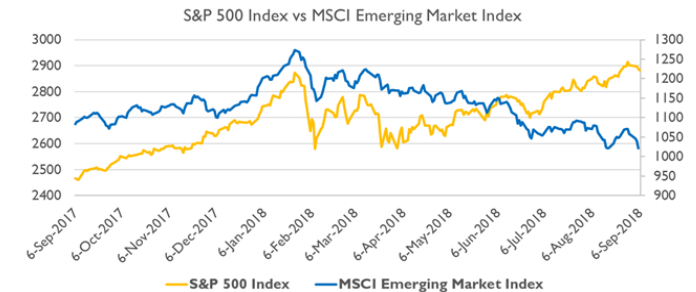


## DAILY COMMENTARY

Emerging Market (EM) assets remain under pressure whilst the US stock market continues its record long bull run. The MSCI Emerging Market Equity Index has fallen by 11.80% year-to-date (YTD) whilst the S&P 500 has risen YTD by 7.79%. EM assets continue to be weighed by the overall selloffs in Argentina, Turkey and Brazil over concerns there may be a contagion effect of the crises in these economies on the overall Emerging Market economies. We also believe US-China trade tensions and a rise in U.S. short-term interest rates remain key dynamics impacting markets in the short-term. Although we anticipate uncertainty in the short-term to remain, we still believe there may be buying opportunities present for select Emerging Market assets as the underlying fundamentals for some EM assets are still solid; driven by economic growth and rising commodity prices. Potential risks to this outlook include a persistently stronger US dollar which would further drive a capital outflow from EM assets.



### Foreign Exchange Market

| Currency | 06-Sep | 05-Sep | DoD % Δ | YTD% Δ |
|----------|--------|--------|---------|--------|
| USD:JMD  | 137.14 | 136.94 | 0.15%   | 9.72%  |
| GBP:JMD  | 175.52 | 177.13 | -0.91%  | 5.08%  |
| CAD:JMD  | 103.78 | 104.39 | -0.58%  | 6.56%  |

### Caribbean & Latam

- Argentina's economy minister sounded upbeat on Wednesday about clinching a new deal with the International Monetary Fund after two days of talks in Washington, and said had sought U.S. support for securing approval from the IMF's board.

### USA & Canada

- U.S. and Canadian negotiators pushed ahead in grinding talks to rescue the North American Free Trade Agreement on Thursday, but a few stubborn issues stood in the way of a deal, including dairy, protection for media companies, and how to solve future trade disputes.

### Europe

- European shares dropped to their lowest level in five months on Thursday as worries over trade weighed and tech stocks came under pressure..

### Asia

- Japan's Nikkei fell on Thursday on the back of broad weakness in global equities, while investors awaited damage assessments after a powerful earthquake in Hokkaido, the latest in a series of natural disasters to hit the country this year.

### Local Equity Market

| Stock Index                  | Today's close | DoD Δ   | DoD% Δ | YTD % Δ | YoY% Δ |
|------------------------------|---------------|---------|--------|---------|--------|
| JSE Combined Index           | 344,423.61    | 1518.58 | 0.44%  | 16.76%  | 39.51% |
| JSE Index                    | 335,347.11    | 1490.69 | 0.45%  | 16.29%  | 26.68% |
| All Jamaican Composite Index | 368,063.11    | 1636.11 | 0.45%  | 16.29%  | 43.82% |
| JSE Select Index             | 9,475.88      | 31.75   | 0.34%  | 11.27%  | 28.19% |
| Junior Market Index          | 3,308.21      | 13.58   | 41.00% | 21.09%  | 6.51%  |

### BEST AND WORST PERFORMERS

| ADVANCERS     |        | DECLINERS     |         |
|---------------|--------|---------------|---------|
| <b>BPOW</b>   | 25.00% | <b>CPJ</b>    | -11.62% |
| <b>INDIES</b> | 4.78%  | <b>EFRESH</b> | -5.33%  |
| <b>JSE</b>    | 4.38%  | <b>CCC</b>    | -3.75%  |

Today's combined market activity resulted in trading of 54 stocks, of which 26 advanced, 16 declined and 12 traded firm.

### International Markets

| International Equity Markets |           |         |        |        |
|------------------------------|-----------|---------|--------|--------|
| Index                        | 06-Sep    | DoD % Δ | YTD% Δ | YoY% Δ |
| S&P 500                      | 2,878.05  | -0.37%  | 7.65%  | 16.73% |
| Dow Jones                    | 25,995.87 | 0.08%   | 5.16%  | 19.21% |
| FTSE All Share               | 4,042.34  | -0.79%  | -4.25% | 0.20%  |
| Euro Stoxx 50                | 3,295.95  | -0.59%  | -5.94% | -4.01% |
| Nikkei 225                   | 22,487.94 | -0.41%  | -1.22% | 16.17% |
| MSCI World Index             | 5,193.30  | 0.61%   | 1.22%  | 8.63%  |

| International Currency Market |        |         |        |        |
|-------------------------------|--------|---------|--------|--------|
| Currency                      | 06-Sep | DoD % Δ | YTD% Δ | YoY% Δ |
| EUR: USD                      | 1.1624 | -0.05%  | -3.17% | -2.46% |
| GBP: USD                      | 1.2926 | 0.16%   | -4.34% | -0.90% |
| USD: CAD                      | 1.3142 | -0.27%  | 4.54%  | 7.49%  |
| USD: JPY                      | 110.72 | -0.73%  | -1.75% | 1.37%  |

| Global Interest Rates    |        |          |          |          |
|--------------------------|--------|----------|----------|----------|
| Rates                    | 06-Sep | DoD Δbps | YTD Δbps | YoY Δbps |
| 10-Year Treasury Bond US | 2.87%  | -2.91    | 46.77    | 76.85    |
| 10-Year UK Gilt          | 1.42%  | -2.60    | 22.60    | 41.10    |
| GOJ 2025 Global Bond     | 5.06%  | -4.80    | 62.90    | 65.00    |

| Commodities |          |         |         |         |
|-------------|----------|---------|---------|---------|
| Commodity   | 06-Sep   | DoD % Δ | YTD% Δ  | YoY% Δ  |
| Crude Oil   | 67.88    | -1.22%  | 12.35%  | 38.08%  |
| Gold        | 1,200.18 | 0.29%   | -7.88%  | -10.05% |
| Silver      | 14.1523  | -0.25%  | -16.44% | -20.85% |
| Aluminium   | 2,068.00 | 0.29%   | -8.82%  | -1.73%  |



# Mutual Funds

**JN MUTUAL FUNDS**

September 5, 2018

Managed by



A member of the JN Group

| JN Mutual Funds                   | NAV Price   | 12 Months Growth Rate | YTD Growth Rate | Yield (Estimated Yearly Income) |
|-----------------------------------|-------------|-----------------------|-----------------|---------------------------------|
| <b>Global Diversified Income</b>  | J\$12.7013  | 20.15%                | 8.11%           | 3.20%                           |
| <b>Global Equity</b>              | J\$12.8193  | 15.17%                | 10.32%          | 0.00%                           |
| <b>Global Fixed Income</b>        | J\$11.4995  | 10.41%                | 7.22%           | 4.80%                           |
| <b>Global Money Market (US\$)</b> | US\$10.0525 | 0.84%                 | 0.52%           | 0.97%                           |
| <b>Global Fixed Income (US\$)</b> | US\$9.8961  | -                     | -1.04%          | 4.08%                           |
| <b>Local Money Market</b>         | J\$10.3231  | 4.69%                 | 3.23%           | 2.34%                           |

|                  | Global Money Market Fund  | Local Money Market Fund   | Global Fixed Income Funds  | Global Diversified Income Fund   | Global Equity Fund   |
|------------------|---|---|--|--|--|
| <b>Objective</b> | To preserve capital whilst providing US dollar (US\$) money market returns              | To preserve capital whilst providing Jamaican Dollar (J\$) money market returns           | To achieve an attractive total return through capital injection and income growth. This is offered through two separate Funds:<br>(i) A Jamaican dollar (J\$) and<br>(ii) A US dollar (US\$) fund. | To provide long-term investment growth through exposure to a diversified range of asset classes. | To provide long-term capital growth and risk diversification.  |
| <b>Strategy</b>  | To invest in local and global money market instruments for safety, liquidity and yield. | To invest in local and global money market instruments for safety and liquidity and yield | To invest in regional, sovereign debt securities, local and international corporate bonds.   | To invest in fixed income, high dividend yielding stocks, REITs and structured products          | To invest in the shares of local and international companies which offer strong growth possibilities and consistent income |

With a suite of six investment portfolios, each with a distinct financial profile, JN Mutual Funds offers a premium opportunity for investors to align their personal financial strategy with their goals, time horizons and risk profile.

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