

## Jamaica's Net International Reserves Increase in August

According to the Bank of Jamaica (BoJ), Jamaica's Net International Reserves (NIR) increased by US\$298.95 million, or 7.23% to US\$4.43 billion in August 2023, up from the US\$4.14 billion reported for the previous month. Despite the downturn of US\$63.14 million in Foreign Assets, the US\$362.10 decline in Foreign Liabilities was more than enough to aid the reserves in registering an uptick. The fall in foreign assets was attributable to decreases in 'Currency & Deposits' (down by US\$68.18 million), 'Special Drawing Rights' (down by US\$16.57 million) and to a lesser extent 'International Monetary Fund Reserve Position' (down by \$0.36 million), but was tempered by a slight increase in 'Securities' (up by US\$21.96 million). At the level reported in August, Jamaica's NIR represents approximately 24 weeks of goods and services imports, which is double the 12-week benchmark.

The uptick in the reserves came despite five BOJ interventions in the foreign currency market during the month, totalling US\$130 million. Jamaica's NIR remains relatively high following a decrease in July, and increases in both May and June 2023. Looking ahead, we anticipate further moderate increases in the NIR over the short-term. However, this is contingent on the Jamaican dollar's continued appreciation, having appreciated by 0.13% for the month of August.

### Currency Markets

#### International Currency Market

Currency	8-Sep	1-Sep	DoD % Δ	WoW % Δ	YTD% Δ	YoY% Δ
EUR: USD	1.070	1.078	0.06%	-0.72%	-0.03%	7.05%
GBP: USD	1.246	1.260	-0.08%	-1.02%	3.14%	8.33%
USD: CAD	1.364	1.360	-0.32%	0.36%	0.64%	4.19%
USD: JPY	147.790	146.220	0.33%	1.07%	12.71%	2.55%

#### Local Foreign Currency Market

Currency	8-Sep	7-Sep	1-Sep	DoD % Δ	WoW % Δ	YTD% Δ
USD:JMD	155.45	155.33	155.18	0.08%	0.17%	2.24%
GBP:JMD	195.43	194.01	197.68	0.73%	-1.14%	7.3%
CAD:JMD	113.99	114.14	114.43	-0.13%	-0.39%	5.1%

### Global Interest Rates

Rates	8-Sep	1-Sep	DoD Δ bps	WoW Δ bps	YTD Δ bps	YoY Δ bps
10 Year US Treasury Bond	4.26%	4.18%	2.00	8.00	39.00	94.00
10 Year UK Gilt	4.42%	4.43%	-3.00	-1.00	75.00	127.00
GOJ 2025 Global Bond	6.82%	6.79%	1.00	3.00	278.00	123.00
5 Year US Treasury Bond	4.40%	4.30%	3.00	10.00	40.00	98.00
5 Year UK Gilt	4.66%	4.71%	-6.00	-5.00	104.00	165.00

### Week in Review: September 4 - September 8, 2023

#### Local Equity Market

##### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
CFF	17.59%	CAC	-29.60%
MTLJA	16.01%	SALF	-17.43%
WIG	7.25%	CHL	-16.76%

JSE Main Market activity (excluding preference shares) resulted from trading in **48** stocks of which **14** advanced, **32** declined and **2** traded firm. Market Volume (excluding preference shares) amounted to **26,229,107** units valued at over **\$275,914,058**. JSE Junior Market activity (excluding preference shares) resulted from trading in **47** stocks of which **17** advanced, **29** declined and **1** traded firm. Market volume (excluding preference shares) amounted to **23,475,430** units valued at over **\$54,117,288**.




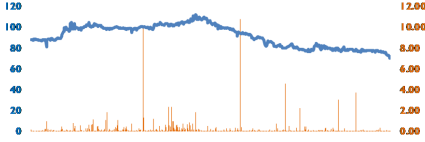



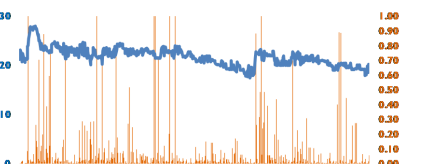








#### Global Equity Indices

Index	30-Dec	1-Sep	8-Sep	WoW % Δ	YTD% Δ	YoY% Δ
S&P 500	3,839.50	4,515.77	4,457.49	-1.29%	16.10%	11.27%
Euro Stoxx 50	3,793.62	4,282.64	4,237.19	-1.06%	11.69%	20.64%
MXWD Index	605.38	687.26	677.72	-1.39%	11.95%	10.68%
JSE Main Market Index	355,896.64	324,637.55	320,354.20	-1.32%	-9.99%	-11.12%
JSE Junior Market Index	3,986.44	3,854.96	3,791.88	-1.64%	-4.88%	-10.36%
JSE Combined Index	368,591.98	338,196.94	333,622.92	-1.35%	-9.49%	-11.05%

### Upcoming Week: September 11 — September 15, 2023

Country	Report	Period	Forecast	Prior
US	Initial Jobless Claims	9-Sep	227,000	216,000
US	CPI MoM	Aug	0.60%	0.20%
US	U. of Mich. Sentiment	Sep P	69.2	69.5
US	CPI YoY	Aug	3.60%	3.20%
UK	Industrial Production MoM	Jul	-0.60%	1.80%
UK	ILO Unemployment Rate 3Mths	Jul	4.30%	4.20%
JN	PPI YoY	Aug	3.30%	3.60%
JN	Core Machine Orders MoM	Jul	-0.70%	2.70%

# LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS	J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	RATIONALE				
September 8, 2023										
Grace Kennedy Ltd (GK)	Current Price	\$70.57	EPS	\$7.59	ROE	9.88%	  	ROE	18.46%	<p>Despite elevated levels of geopolitical tensions and supply chain disruptions, we expect the GK's strong resiliency to persist even as the company make significant changes to ensure its products and services are delivered to its customers across the various channels. These include ensuring its international supply chains remain strong, active, and efficient. Its recent agreement with Nestle is one such initiative that GK has implemented to improve its distribution as the Group moves closer to achieving its goal of creating a wider wingspan in the global arena. We believe that GK is poised for further sustainable growth given its well diversified businesses across its two segments which will likely be boosted by inorganic growth from acquisitions. GraceKennedy Limited has initiated its multi-year transformational strategy in which it seeks to achieve (i) sustainable efficiency, (ii) greater agility and (iii) revenue growth. To achieve these goals, the Group has made changes to its organisational and cost structure as well as its business processes which have so far resulted in an upswing in its margins and profitability, and which augurs well for the Group's future.</p>
	52 Week High	\$96.00	BVPS	\$76.78	P/E	9.30		P/E	10.20	
BUY	53 Week Low	\$70.00	T12M Div.	\$2.06	P/B	0.92	P/B	1.38		
	WoW %	-3.83%	Div. Yield %	2.19%						
Jamaica Producers Group (JP)	Current Price	\$18.63	EPS	\$11.89	ROE	42.52%	  	ROE	18.46%	<p>Undoubtedly, COVID-19 has had a negative impact on aspects of JPs business over the last two years and could continue to weigh on some of those segments in the short term. Further, inflation, supply chain issues, reduced business confidence and trading due to the war in Ukraine, and ongoing economic uncertainty related to the pandemic will present challenges in the short term. However, the JP Group has remained strong, and the pandemic has created opportunities for new retail channels to offset the downturn anticipated in some. JP remains strong along several key financial metrics, including its relatively large equity base and growing cash and securities balance, providing the group with the flexibility to manage and execute on strategies of acquiring undervalued assets as they become available. Most importantly, JP continues to strengthen its operations and we anticipate that its recent acquisitions in the food and logistics businesses will likely further improve its capacity and drive its medium to long-term growth.</p>
	52 Week High	\$28.00	BVPS	\$27.97	P/E	1.57		P/E	10.20	
BUY	53 Week Low	\$17.10	T12M Div.	\$0.30	P/B	0.67	P/B	1.38		
	WoW %	2.99%	Div. Yield %	1.56%						
Wisynco Ltd (WISYNCO)	Current Price	\$17.55	EPS	\$1.27	ROE	22.99%	  	ROE	12.96%	<p>Today, Wisynco is a prominent manufacturer and distributor of beverages and food items in Jamaica. With one of the largest sales forces locally, with more than 700 sales-related employees, Wisynco boasts a sales and distribution infrastructure that has a significant presence in the marketplace. As its customers typically include restaurants, supermarkets retail and wholesale outlets, schools and other food service outlets, during the pandemic its customer base was severely disrupted. Now with the restrictions which impacted its business negatively over the last two years removed, we anticipate that this will provide a fillip to the company's revenue and profits in the short to medium term. Additionally, its strong balance sheet, particularly its cash position, not only positions the company to absorb shocks but also to capitalize on opportunities as they arise.</p>
	52 Week High	\$20.00	BVPS	\$5.51	P/E	13.86		P/E	11.12	
BUY	53 Week Low	\$16.00	T12M Div.	\$0.42	P/B	3.18	P/B	2.19		
	WoW %	-1.13%	Div. Yield %	2.46%						
JMMB Group Ltd (JMMBGL)	Current Price	\$28.27	EPS	\$5.58	ROE	20.08%	  	ROE	5.72%	<p>Over the years, JMMBGL has successfully deployed its capital to generate returns for its shareholders. Traditionally, the Company has relied on interest income from repurchase agreements, dividend income from investment holdings, gains from securities trading and fees from Unit Trust management. Over the last ten years, Jamaica has seen a significant decline in interest rates, which has influenced financial entities to lean more towards generating fee income from areas such as asset management, investment banking and trading activity in contrast to interest income from repurchase agreements. To that end JMMBGL has grown its operations from strictly investment management, trading, stockbroking, and market-making activities to include commercial banking and while Jamaica remains the core of its operations, it has a significant presence in Trinidad and the Dominican Republic. Looking ahead, we anticipate that JMMBGL's earnings will be further diversified and boosted through its equity stake into "Sagcor Financial Corporation". One of SFC's strongest growth areas has been its USA operations and as a result, this investment has allowed JMMBGL to get exposure new markets and the insurance business line and anticipate that this will help the group to yield positive results over the short to medium term.</p>
	52 Week High	\$43.49	BVPS	\$27.77	P/E	5.07		P/E	8.66	
BUY	53 Week Low	\$25.01	T12M Div.	\$0.00	P/B	1.02	P/B	1.30		
	WoW %	2.50%	Div. Yield %	0.00%						




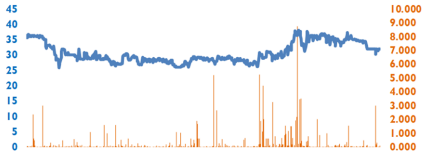



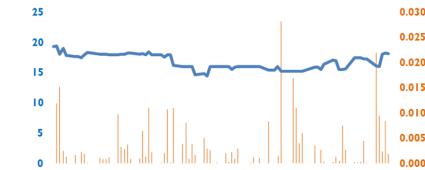



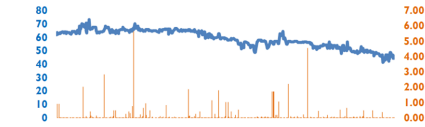
**Disclaimer:** All information contained herein is obtained by JN Fund Managers Limited's (JNFM's) Global Investment Research Unit from sources believed to be accurate and reliable. All opinions expressed are based on the Research Analyst's judgment as of the date of the report. As such, no warranty is made, expressed or implied by JN Fund Managers Limited in any form whatsoever as to the accuracy, timeliness or completeness of information contained in this report. JN Fund Managers Limited is therefore not liable for any actions taken in reliance on information contained herein.

JN Fund Managers' Global Investment Research Unit does not provide investment advice that considers the circumstances and objectives of the parties who receive this report. It is therefore recommended that before making any investment decision, investors seek the advice of a JN Fund Managers' Investment Advisor.

This report does not represent an offer to buy or sell, or solicitation of an offer to buy or sell the securities mentioned. Past performance is not necessarily an indication of future performance. Estimates of future performance are based on assumptions that may not be realized. Additional information not available in this research report may be available upon request.

JN Fund Managers Limited is a multifaceted organization with, investment banking, investment management, fund administration and brokerage business lines. JN Fund Managers Limited may therefore conduct investment banking or other business activities with some of the companies and countries covered by the Company's Global Investment Research Unit.

# LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS	J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	RATIONALE
September 8, 2023						
Jamaica Broilers Group Ltd (JBG)	Current Price	\$31.94	EPS	\$3.85	 ROE 17.21%	ROE 12.96%
	52 Week High	\$39.99	BVPS	\$22.35	 P/E 8.30	P/E 11.12
	53 Week Low	\$26.00	T12M Div.	\$0.78	 P/B 1.43	P/B 2.19
	WoW %	-0.13%	Div. Yield %	2.79%		
	YTD %	3.03%				
						
BUY						
Sygnus Real Estate Finance Limited (SRFJMD)	Current Price	\$10.07	EPS	\$1.30	 ROE 5.97%	ROE 7.07%
	52 Week High	\$15.00	BVPS	\$21.82	 P/E 7.73	P/E 20.72
	53 Week Low	\$9.00	T12M Div.	\$0.00	 P/B 0.46	P/B 0.75
	WoW %	-0.79%	Div. Yield %	0.00%		
	YTD %	0.70%				
						
BUY						
Pan-Jamaican Investment Trust (PJAM)	Current Price	\$44.53	EPS	\$3.34	 ROE 7.46%	ROE 18.46%
	52 Week High	\$65.00	BVPS	\$44.80	 P/E 13.32	P/E 10.20
	53 Week Low	\$40.01	T12M Div.	\$0.43	 P/B 0.99	P/B 1.38
	WoW %	-9.12%	Div. Yield %	0.71%		
	YTD %	-22.19%				
						
BUY						

**Disclaimer:** All information contained herein is obtained by JN Fund Managers Limited's (JNFM's) Global Investment Research Unit from sources believed to be accurate and reliable. All opinions expressed are based on the Research Analyst's judgment as of the date of the report. As such, no warranty is made, expressed or implied by JN Fund Managers Limited in any form whatsoever as to the accuracy, timeliness or completeness of information contained in this report. JN Fund Managers Limited is therefore not liable for any actions taken in reliance on information contained herein.

JN Fund Managers' Global Investment Research Unit does not provide investment advice that considers the circumstances and objectives of the parties who receive this report. It is therefore recommended that before making any investment decision, investors seek the advice of a JN Fund Managers' Investment Advisor.

This report does not represent an offer to buy or sell, or solicitation of an offer to buy or sell the securities mentioned. Past performance is not necessarily an indication of future performance. Estimates of future performance are based on assumptions that may not be realized. Additional information not available in this research report may be available upon request.

JN Fund Managers Limited is a multifaceted organization with, investment banking, investment management, fund administration and brokerage business lines. JN Fund Managers Limited may therefore conduct investment banking or other business activities with some of the companies and countries covered by the Company's Global Investment Research Unit.



# Mutual Funds



A member of the Group

## JN MUTUAL FUNDS

September 7, 2023

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$13.3522	3.98%	3.12%	3.09%
<b>Global Equity</b>	J\$13.9501	-4.16%	-4.33%	0.00%
<b>Global Fixed Income</b>	J\$14.6799	8.55%	6.50%	7.03%
<b>Global Money Market (US\$)</b>	US\$11.6751	3.64%	2.45%	4.16%
<b>Global Fixed Income (US\$)</b>	US\$11.6948	3.07%	2.21%	5.22%
<b>Local Money Market</b>	J\$13.0651	10.65%	8.21%	7.66%

	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: (i) A Jamaican dollar (J\$) and (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.

## Contact us

### Kingston & St. Andrew

**Kimberly Savage** – 876-307-9461 [ksavage@jngroup.com](mailto:ksavage@jngroup.com)

**Tamara Honeyghan** - 876-557-0082 [tamarah@jngroup.com](mailto:tamarah@jngroup.com)

**Gayon Knight** - 876-564-9563 [gknight@jngroup.com](mailto:gknight@jngroup.com)

**Jason Adams** - 876-550-9504 [jyadams@jngroup.com](mailto:jyadams@jngroup.com)

### Mandeville

**Horace Walters** – 876-487-9267 [waltersh@jngroup.com](mailto:waltersh@jngroup.com)

### St. Catherine

**Nickesha Mullings-Gilling** - 876-891-4736 [nmullings@jngroup.com](mailto:nmullings@jngroup.com)

### Montego Bay

**Marissa Williams** - 876-465-3726 [mwilliams1@jngroup.com](mailto:mwilliams1@jngroup.com)

**Anna-kaye Lynfatt** - 876-564-8276 [alynfatt@jngroup.com](mailto:alynfatt@jngroup.com)

**Disclaimer:** All information contained herein is obtained by JN Fund Managers Limited's Global Investment Research Unit from sources believed to be accurate and reliable. All opinions expressed are based on the Research Analyst's judgment as of the date of the report. As such, no warranty is made, expressed or implied by JN Fund Managers Limited in any form whatsoever as to the accuracy, timeliness or completeness of information contained in this report. JN Fund Managers Limited is therefore not liable for any actions taken in reliance on information contained herein.

JN Fund Managers Limited's Global Investment Research Unit does not provide investment advice that considers the circumstances and objectives of the parties who receive this report. It is therefore recommended that before making any investment decision, investors seek the advice of a JN Fund Managers Limited Investment Advisor.

This report does not represent an offer to buy or sell, or solicitation of an offer to buy or sell the securities mentioned. Past performance is not necessarily an indication of future performance. Estimates of future performance are based on assumptions that may not be realized. Additional information not available in this research report may be available upon request.

JN Fund Managers Limited is a multifaceted organization with, investment banking, investment management, fund administration and brokerage business lines. JN Fund Managers Limited may therefore conduct investment banking or other business activities with some of the companies and countries covered by the Company's Global Investment Research Unit.

JN Fund Managers Limited may invest in and trade the securities covered in this report for its own proprietary account and/or on behalf of its clients. JN Fund Managers Limited's trading activity in these securities may be contrary to the recommendation(s) indicated in this report .

