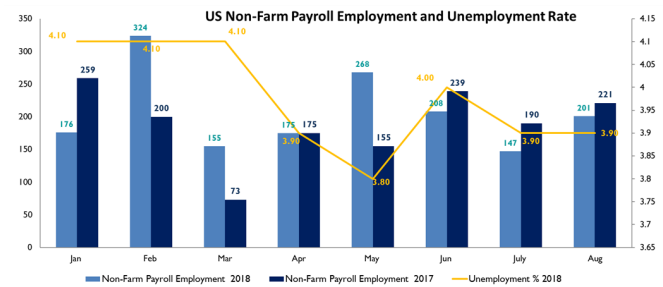


Week in Review: September 3 – 7, 2018

WEEKLY COMMENTARY

The United States (US) Labor Department reported that the US economy added 201,000 jobs during the month of August and was above market expectations of 191,000. The largest job gains came from healthcare and professional and business service sectors whilst the manufacturing sector fell for the first time since July 2017. Despite this increase, the unemployment rate remained unchanged at 3.9%. Average hourly earnings increased by 0.4% month over month, exhibiting a year-over-year wage growth to 2.9%. Given the strong jobs growth coupled with the strength in consumer spending and inflation being above the Federal Reserve's target, it is likely that they may raise rates at their next meeting in September. However, a major concern is that the threat of the ongoing trade wars may possibly impact the manufacturing sector in the near term, potentially further impacting job creation in the sector and impacting consumers purchasing power.



Currency Markets

International Currency Market

Currency	7-Sep	31-Aug	DoD % Δ	WoW % Δ	YTD % Δ	YoY % Δ
EUR: USD	1.1553	1.16	-0.60%	-0.42%	-3.77%	-3.91%
GBP: USD	1.292	1.3	-0.08%	-0.31%	-4.39%	-1.38%
USD: CAD	1.3161	1.3	0.14%	0.93%	4.69%	8.63%
USD: JPY	110.99	111.03	0.22%	-0.04%	-1.51%	2.34%

Local Foreign Currency Market

Currency	7-Sep	6-Sep	31-Aug	DoD % Δ	WoW % Δ	YTD % Δ
USD:JMD	137.35	137.14	137.01	0.15%	0.25%	9.88%
GBP:JMD	177.27	175.52	177.53	1.00%	-0.15%	6.13%
CAD:JMD	104.54	103.78	105.59	0.73%	-0.99%	7.34%

Global Interest Rates

Rates	7-Sep	31-Aug	DoD Δ bps	WoW Δ bps	YTD Δ bps	YoY Δ bps
10 Year US Treasury Bond	2.94%	2.86%	7.00	8.00	53.46	90.00
10 Year UK Gilt	1.46%	1.43%	4.00	3.00	27.00	49.00
GOJ 2025 Global Bond	5.08%	5.08%	1.00	0.00	64.50	70.00
5 Year US Treasury Bond	2.82%	2.74%	8.00	8.00	61.36	119.00
5 Year UK Gilt	1.05%	1.04%	3.00	1.00	32.70	66.00

Week in Review: September 3– 7, 2018

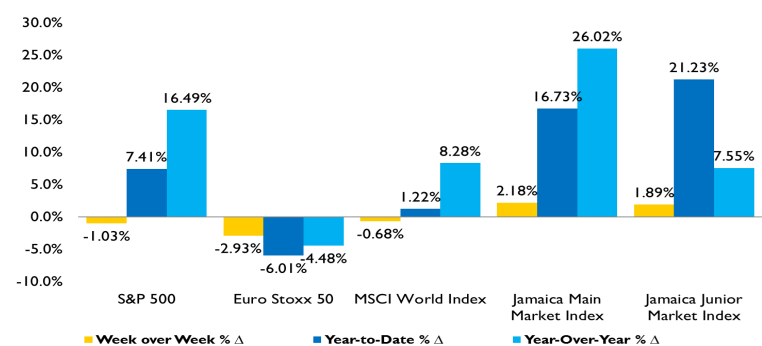
Local Equity Market

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
BPOW	20.00%	ECL	-25.87%
PTL	15.38%	MEEG	-22.99%
KREMI	13.86%	SCI	-16.76%

JSE Main Market activity resulted from trading in 37 stocks of which 21 advanced, 12 declined and 4 traded firm. Market volume amounted to 103,646,805 units valued at \$794,100,049.96. JSE Junior Market activity resulted from trading in 36 stocks of which 21 advanced, 13 declined and 2 traded firm. Market volume amounted to 161,78-,133 units valued at \$991,150,040.07.

Global Equity Indices



Upcoming Week: September 10– 14, 2018

Report	Country	Period	Forecast	Prior
Initial Jobless Claims	US	8-Sep	210k	203k
CPI MoM	US	Aug	0.30%	0.20%
Industrial Production MoM	US	Aug	0.30%	0.10%
CPI YoY	US	Aug	2.80%	2.90%
Bank of England Bank Rate	UK	13-Sep	0.75%	0.75%
Manufacturing Production MoM	UK	Jul	0.20%	0.40%

LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	SYMBOL	52 WEEK RANGE		VALUATION STATISTICS							JNFM's Recommendation		
		Sep-07-2018	YTD %	High	Low	Price/Earning Ratio	Book Value Per Share	Price/Book	Return on Equity	T12M Dividend	T12M Dividend Yield	Potential upside/downside	Recommendation
		\$	%	\$	\$		\$		%		%		
MAIN MARKET													
FINANCE													
JMMB Group Ltd	JMMBGL	29.00	29.52%	31.00	20.75	12.04	15.48	1.87	15.55%	0.47	1.62%	-1.34%	HOLD
NCB Financial Group Ltd	NCBFG	114.53	15.24%	125.00	80.06	11.15	54.01	2.12	19.02%	2.70	2.36%	-0.25%	HOLD
Scotia Group Jamaica Ltd	SGJ	54.07	2.68%	60.00	44.06	12.62	35.06	1.54	12.22%	1.89	3.50%	8.71%	HOLD
Victoria Mutual Investments Ltd	VMIL	3.53	8.95%	4.85	3.20	17.62	1.66	2.13	12.07%	0.02	0.57%	10.48%	HOLD
MANUFACTURING													
Wisynco Ltd	WISYNCO	9.26	-24.35%	13.81	8.75	15.14	2.32	4.00	26.39%	0.06	0.65%	24.41%	BUY
CONGLOMERATE													
Pan-Jamaican Investment Trust	PJAM	54.01	20.02%	58.99	33.00	13.81	29.17	1.85	13.41%	0.90	1.67%	-13.68%	HOLD
Sagicor Group Jamaica Ltd	SJ	39.08	9.84%	42.00	32.50	13.05	17.62	2.22	17.00%	1.24	3.17%	-5.76%	HOLD
LEISURE													
REAL ESTATE													
Sagicor Real Estate X Fund Ltd	XFUND	11.34	-24.40%	17.50	10.60	9.44	10.36	1.09	11.60%	0.14	1.23%	64.37%	STRONG BUY
JUNIOR MARKET													
FINANCE													
Access Financial Services Ltd	AFS	46.00	26.27%	56.00	32.00	16.97	9.24	4.98	29.36%	0.96	2.09%	25.91%	STRONG BUY
Lasco Financial Services Ltd	LASF	5.90	11.53%	6.60	3.35	25.91	1.16	5.08	19.59%	0.08	1.36%	5.76%	HOLD
MANUFACTURING													
Caribbean Cream Ltd	KREMI	6.49	34.93%	7.54	4.50	22.28	1.83	3.55	15.92%	0.06	0.92%	-5.24%	HOLD
Lasco Manufacturing Ltd	LASM	4.01	6.08%	4.77	3.30	23.78	1.12	3.59	15.08%	0.04	0.95%	-4.99%	HOLD
SERVICES													
Elite Diagnostic Limited	ELITE	3.12	56.00%	3.48	2.60	50.76	1.08	2.89	5.70%	0.00	0.00%	-7.69%	HOLD
RETAIL													
Caribbean Producers Jamaica Ltd	CPJ	5.89	31.47%	7.15	3.00	21.50	2.69	2.19	10.17%	0.06	1.02%	33.28%	STRONG BUY
Jetcon Corp Ltd	JETCON	4.06	-15.59%	5.00	3.50	15.12	0.89	4.58	30.30%	0.11	2.59%	10.84%	HOLD
LEISURE													
Main Event Entertainment Group	MEEG	5.46	3.41%	8.00	4.35	15.29	1.76	3.11	20.32%	0.00	0.00%	14.84%	HOLD

NCB Financial Group Ltd. - The NCB Financial Group (NCBFG) achieved net profit of J\$20.95B for the year-to-date second quarter ending June 30, 2018, an increase of 42.35% over the prior year. NCBFG continues to place emphasis on strategic initiatives in restructuring its core business by seeking opportunities to grow organically and inorganically throughout the Caribbean by utilizing technology to improve efficiency and enhance profitability.

JMMB Group Ltd. - During the the first quarter ended June 30th , 2018 (Q1 2019), JMMBGL's net profit increased by 56% year-over-over to J\$956.6M for the corresponding period of 2017 as result of a 8.00% increase in net interest income relative to the prior period. JMMB continues to remain focused on operationalizing their commercial bank and increasing their crossing-selling efforts. In alignment with JMMB's strategy to provide customized financial solutions they continue to see growth in their off-balance sheet products.

Jetcon Corporation Ltd. - Jetcon's financial performance declined during the second quarter ended June 30th, 2018 (Q2). Jetcon's Net profit for the quarter fell over 12% YoY, moving from J\$42.90M in Q2 2017 to J\$38.4M, in Q2 2018.

Pan Jam Investment Limited - Net profit for the quarter ended March 31, 2018 (Q1 2018) amounted to \$827M, an improvement relative to the \$830M recorded in Q1 2017. Pan-Jam continues to benefit from its 31.5% investment in Sagicor Group and increased property income.

Sagicor Real Estate X Fund - XFUND reported net profit attributable to shareholders for the YTD second quarter ending June 30th, 2018 was \$770.2M, 2% lower than June 2017's YTD net profit of \$785.2M. Despite this lower quarterly performance, the optimistic outlook for travel & Tourism sector in 2018 bodes well X Fund.

Access Financial Services - Net profit for the first quarter ended June 30, 2018 increased to J\$216.72M from J\$188.46M when compared to the corresponding period last year. During the period under review net operating income marginally declined which was tempered by a decline in operating expenses by 11%.

Kingston Wharves Ltd. - KWL has been aggressively upgrading its facilities, seeking to integrate its logistics services and expanding its range of cargo services. For the quarter ended March 31, 2018, net profit increased by 11% or \$36 million, to \$368M from \$332M in Q1 2017.



Mutual Funds

Managed
by



A member of the Group

JN MUTUAL FUNDS

September 6, 2018

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$12.7222	20.15%	8.29%	3.20%
Global Equity	J\$12.8693	14.53%	10.75%	0.00%
Global Fixed Income	J\$11.5066	10.46%	7.29%	4.80%
Global Money Market (US\$)	US\$10.0526	0.85%	0.53%	0.97%
Global Fixed Income (US\$)	US\$9.9022	-	-0.98%	4.08%
Local Money Market	J\$10.3257	4.71%	3.26%	2.34%

	Global Money Market Fund	Local Money Market Fund	Global Fixed Income Funds	Global Diversified Income Fund	Global Equity Fund
Objective	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.
Strategy	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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