

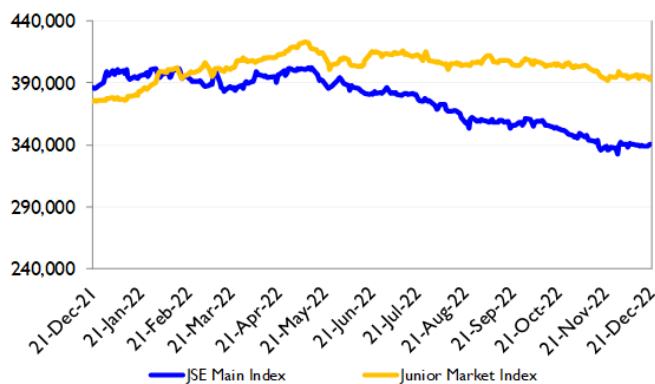
## Bank of Jamaica Holds Policy Rate at 7.00 per cent in December 2022

The Bank of Jamaica's (BOJ) Monetary Policy Committee announced on December 20, 2022, that it will hold its policy interest rate (the rate offered to deposit-taking institutions on overnight placements with BOJ) at 7.00 per cent per annum, effective December 21, 2022. The Committee's decision to maintain the policy rate was based on the incoming data on the inflation outlook being generally positive. Jamaica's inflation rate at November 2022 of 10.3 per cent, was within the bank's expected range of 9.5 to 10.5 per cent. Core inflation (which excludes food and fuel prices) declined to 8.8 per cent at November 2022, from 9.0 per cent at October 2022. Furthermore, the key external drivers of headline inflation, such as grains, fuel and shipping prices, continued to trend downwards, broadly in line with the bank's projections. In addition, as expected, the pace of monetary tightening by the United States Federal Reserve Board (Fed) appeared to be slowing and the level of liquidity in the local financial system also remains consistent with the bank's objective of facilitating a reduction in inflation. Also contributing to the decision was the bank's anticipation for further interest rate increases from Deposit Taking Institutions (DTIs). This is despite their slow response to BOJ's rate increases thus far. However, some DTIs have recently adjusted their deposit and lending rates marginally and have announced future rate increases. The bank therefore expects more material increases in deposit and lending rates in early 2023.

Other factors which influenced the BOJ's decision included higher prices in the Food and Non-Alcoholic Beverages, Alcoholic Beverages and the Restaurants and Accommodations Services divisions of the Consumer Price Index, which were in line with the bank's expectations. The decision was also based on the Jamaican economy continuing to perform creditably, with the likelihood that GDP for the fiscal year 2022/23 will grow by 3.0 to 4.5 per cent remaining high. For the December 2022 quarter, the bank projects a 2.5 to 3.5 per cent growth. However, against the background of the continued growth in the economy, BOJ expects that labour shortages in selected sectors carry the potential for future wage adjustments, which can put upward pressure on inflation. If there are no new shocks, the bank noted that its future monetary policy decisions depend on the continued pass-through effect of its past policy rate changes on deposit and loan rates, increased pass-through of international commodity price reductions to domestic prices and the Fed not exceeding its stated policy rate increases.

Source: Bank of Jamaica

### Local Market Indices



### Foreign Exchange Market

Currency	21-Dec	20-Dec	DoD % Δ	YTD % Δ
USD:JMD	153.44	153.22	0.15%	-1.06%
GBP:JMD	185.92	186.57	-0.35%	-11.5%
CAD:JMD	113.88	112.81	0.95%	-7.2%

### Caribbean & Latam

- Chile's peso rose the most among major Latin American currencies on Wednesday, as copper prices regained their footing on hopes that top consumer China's easing of COVID-19 policies will lift demand, while Peru's sol edged up after a partial cabinet reshuffle.

### USA & Canada

- The S&P 500 jumped Wednesday, underpinned by dip-buying in tech and data showing the consumer remains upbeat about the economy.

### Europe

- European shares rose on Wednesday, as banks extended gains and upbeat results from Nike (NYSE:NKE) boosted the region's battered retail sector, while improving economic outlook for the euro zone also lifted sentiment

### Asia

- Most Asian equity markets gained on Wednesday after four days of loss as a higher close on Wall Street overnight helped provide a floor, while most currencies weakened as they struggled for cues in holiday-thinned trading.

### Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	353,274.84	695.36	0.20%	-11.93%	-9.78%
JSE Index	340,467.96	86.10	0.03%	-14.06%	-11.88%
All Jamaican Composite Index	382,179.92	2,594.86	0.68%	-12.81%	-10.50%
JSE Select Index	8,447.70	99.83	1.20%	-14.52%	-12.29%
Junior Market Index	3,885.74	67.01	1.75%	13.34%	15.02%

### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
MEEG	12.81%	SML	-15.72%
DTL	12.26%	PAL	-11.00%
AMG	11.86%	INDIES	-9.70%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **90** stocks, of which **37** advanced, **35** declined and **18** traded firm.

### International Markets

International Equity Markets					International Currency Market				
Index	21-Dec	DoD % Δ	YTD % Δ	YoY % Δ	Currency	21-Dec	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	3,878.44	1.49%	-18.63%	-16.58%	EUR: USD	1.0605	-0.18%	-6.73%	-6.03%
Dow Jones	33,376.48	1.60%	-8.15%	-5.96%	GBP: USD	1.21	-0.83%	-10.72%	-8.90%
FTSE All Share	4,095.42	1.70%	-2.68%	-1.19%	USD: CAD	1.36	0.01%	7.72%	5.40%
Euro Stoxx 50	3,872.15	1.83%	-9.92%	-7.25%	USD: JPY	132.46	0.55%	15.10%	16.09%
Nikkei 225	26,387.72	-0.68%	-8.35%	-7.47%					
MSCI World Index	610.14	1.19%	-19.17%	-17.15%					

Global Interest Rates					Commodities				
Rates	21-Dec	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	21-Dec	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	3.66%	-2.00	215.00	220.00	Crude Oil	78.29	2.89%	4.10%	10.08%
10-Year UK Gilt	3.57%	-3.00	260.00	270.00	Gold	1,814.39	-0.20%	-0.81%	1.40%
GOJ 2025 Global Bond	6.39%	-2.00	235.00	228.00	Silver	23.97	-0.82%	2.82%	6.43%
					Aluminium	2,391.50	0.80%	-14.82%	-13.16%



# Mutual Funds



A member of the JN Group

## JN MUTUAL FUNDS

December 20, 2022

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$ 12.7730	-8.11%	-9.72%	2.46%
<b>Global Equity</b>	J\$ 14.1578	-6.48%	-9.88%	0.00%
<b>Global Fixed Income</b>	J\$ 13.7820	3.85%	3.88%	5.27%
<b>Global Money Market (US\$)</b>	US\$ 11.3841	3.71%	3.61%	4.12%
<b>Global Fixed Income (US\$)</b>	US\$ 11.4367	0.91%	0.84%	3.94%
<b>Local Money Market</b>	J\$ 12.0832	4.34%	4.31%	6.81%

	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

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

**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)

### 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

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

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

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