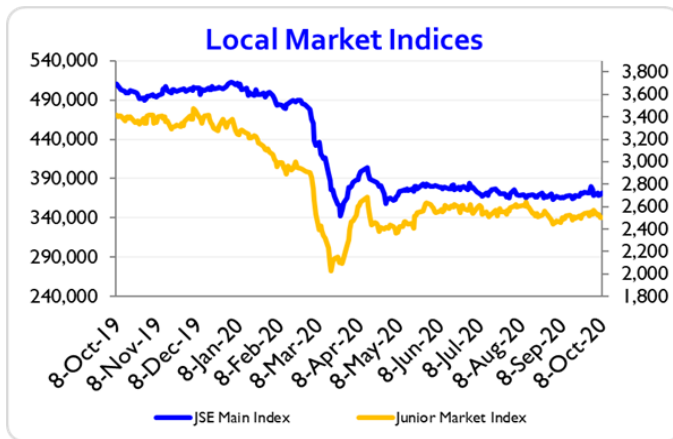


Jamaica's NIR Dropped Marginally in September 2020

Jamaica's Net International Reserves (NIR) declined by US\$11.90 million or 0.43% in September 2020 to US\$2.75 million. The movement in the NIR was driven mainly by a fall in foreign assets, down by US\$31.81 million due to declines in foreign currency and deposits, securities and Special Drawing Rights & IMF Reserve Position. Foreign liabilities also declined during the month by US\$19.91 million from reduced liabilities to the International Monetary Fund. Year to date, the NIR has declined by 13.2% from the US\$3.16 billion recorded at the end of 2019. Notwithstanding, at the current level, the NIR represents more than 36 weeks of goods and services imports, which is above the 12-weeks benchmark.

Over the short to medium term, the risks weighing on Jamaica's economy remain skewed to the downside, as the resurgence of COVID-19 cases continues to impact consumer demand and business activity both locally and externally. Since much of Jamaica's foreign exchange flows are from remittances and tourism from the United States (US), the rising unemployment levels in the US is likely to have a negative spill over effect on the Jamaican economy. Additionally, the spike in COVID-19 cases locally, is likely to discourage potential visitors to Jamaica considering there is currently no available vaccine for the virus. When this is added to the uncertainties surrounding the second US stimulus plan, it further weakens our outlook for foreign exchange flows to Jamaica in at least the short term. We therefore anticipate that the NIR is likely to continue its declining trend in the upcoming months but will likely remain above the benchmark.



Foreign Exchange Market

Currency	8-Oct	7-Oct	DoD % Δ	YTD % Δ
USD:JMD	145.72	144.49	0.86%	9.92%
GBP:JMD	189.51	188.59	0.49%	10.4%
CAD:JMD	112.00	109.34	2.43%	11.8%

Caribbean & Latam

- The Brazilian real traded lower on Thursday on continued worries about the country's public finances, although a record reading on retail sales helped limit declines, while other Latin American currencies struggled for direction.

USA & Canada

- The number of Americans filing new claims for jobless benefits inched down last week, signaling the U.S. labor market is making little fresh headway in getting millions of people back on the job after being out of work due to COVID-19 disruptions.

Europe

- European stocks hit a near three-week high on Thursday as investors globally pinned hopes on more U.S. stimulus even as coronavirus cases surged across the continent.

Asia

- Japan's service sector sentiment rose in September to the highest level in 2-1/2 years, government data showed on Thursday, suggesting that the economy is gradually recovering from the devastating impact of the coronavirus pandemic.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	369,272.88	2,613.72	0.71%	-27.43%	-27.71%
JSE Index	372,069.12	2,789.03	0.76%	-27.58%	-27.65%
All Jamaican Composite Index	407,581.24	2,751.31	0.68%	-27.69%	-27.82%
JSE Select Index	9,071.45	94.76	1.06%	-31.29%	-32.18%
Junior Market Index	2,504.27	4.29	0.17%	-25.35%	-28.27%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
KEX	18.18%	AMG	-12.78%
MEEG	15.38%	JETCON	-11.11%
PURITY	15.20%	ECL	-8.09%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **75** stocks, of which **38** advanced, **28** declined and **9** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	8-Oct	DoD % Δ	YTD % Δ	YoY % Δ	Currency	8-Oct	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	3,446.51	0.79%	6.68%	19.13%	EUR: USD	1.1759	-0.03%	4.87%	7.32%
Dow Jones	28,425.51	0.43%	-0.40%	8.64%	GBP: USD	1.2933	0.11%	-2.44%	5.84%
FTSE All Share	3,356.09	0.58%	-20.03%	-14.35%	USD: CAD	1.3200	-0.42%	1.62%	-0.94%
Euro Stoxx 50	3,255.76	0.69%	-13.07%	-5.16%	USD: JPY	106.00	0.02%	-2.40%	-1.02%
Nikkei 225	23,647.07	0.96%	-0.04%	9.54%					
MSCI World Index	579.90	0.74%	2.59%	14.06%					
Global Interest Rates					Commodities				
Rates	8-Oct	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	8-Oct	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	0.77%	-2.00	-115.00	-76.00	Crude Oil	41.27	3.30%	-32.41%	-21.58%
10-Year UK Gilt	0.29%	-1.00	-53.00	-13.00	Gold	1,893.74	0.33%	24.81%	25.79%
GOJ 2025 Global Bond	4.17%	-9.00	32.00	13.00	Silver	23.83	0.10%	33.46%	34.36%
					Aluminium	1,804.50	1.18%	-0.30%	3.03%



Mutual Funds

JN MUTUAL FUNDS

October 7, 2020

Fund Managers Ltd.

A member of the Group

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.5205	-5.70%	-7.40%	2.69%
Global Equity	J\$13.9301	-20.11%	-23.28%	0.00%
Global Fixed Income	J\$12.5953	5.99%	5.11%	4.71%
Global Money Market (US\$)	US\$10.5298	3.23%	2.59%	3.77%
Global Fixed Income (US\$)	US\$10.5919	3.00%	2.48%	4.89%
Local Money Market	J\$10.9685	3.78%	3.10%	4.11%

	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.

Contact us

Kingston & St. Andrew

Paul Penn – 876-564-8276 pennp@jngroup.com

Peta-Gay Walker- 876-588-8886 pmiller@jngroup.com

Kimberly Savage – 876-307-9461 ksavage@jngroup.com

Tamara Honeyghan - 876-557-0082 tamarah@jngroup.com

Gayon Knight - 876-564-9563 gknight@jngroup.com

Mandeville

Horace Walters – 876-487-9267 waltersh@jngroup.com

St. Catherine

Nickesha Mullings-Gilling - 876-891-4736 nmullings@jngroup.com

Montego Bay

Marissa Williams - 876-465-3726 mwilliams1@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 .