

## UK Retail Sales Rises Above Market Expectations in March 2021

According to the Office for National Statistics (ONS), retail sales in the United Kingdom (UK) increased by 5.4% in March 2021, following the 2.2% increase recorded in February 2021. March's retail sales output was above market expectations for a 1.5% increase and was also 1.6% higher than in February 2020, prior to the impact of the coronavirus pandemic. The higher sales in March largely reflected the effect of the easing of coronavirus (COVID-19) restrictions on consumer spending. This increase was mainly attributable to a rise in sales at clothing stores, other non-food stores, and automotive fuel retailers, which went up by 17.5%, 13.4%, and 11.1% respectively. For the 12-month period up to March 2021, UK's retail sales increased 7.2% after falling by 3.7% in February 2021.

With the rapid pace of vaccine distribution in the UK, plus the government's roadmap to ease out of its third national lockdown and improved consumer sentiment, we anticipate that retail sales may continue to increase in the ensuing months. However, despite the increased sentiments, consumers may be concerned about the new variants of COVID-19, rising inflation and debt which could weigh on retail sales growth over the short term.

### Currency Markets

#### International Currency Market

Currency	23-Apr	16-Apr	DoD % Δ	WoW % Δ	YTD % Δ	YoY % Δ
EUR: USD	1.210	1.198	0.67%	0.94%	-0.98%	12.24%
GBP: USD	1.388	1.380	0.32%	0.37%	1.56%	12.47%
USD: CAD	1.247	1.250	-0.31%	-0.32%	-2.02%	-11.40%
USD: JPY	107.900	108.800	-0.06%	-0.83%	4.50%	0.28%

#### Local Foreign Currency Market

Currency	23-Apr	22-Apr	16-Apr	DoD % Δ	WoW % Δ	YTD % Δ
USD:JMD	154.74	154.40	151.62	0.22%	2.06%	8.48%
GBP:JMD	212.54	213.40	211.77	-0.41%	0.36%	9.7%
CAD:JMD	124.21	129.02	121.57	-3.73%	2.17%	11.5%

### Global Interest Rates

Rates	23-Apr	16-Apr	DoD Δ bps	WoW Δ bps	YTD Δ bps	YoY Δ bps
10 Year US Treasury Bond	1.56%	1.58%	2.00	-2.00	65.00	96.00
10 Year UK Gilt	0.74%	0.76%	0.00	-2.00	54.00	45.00
GOJ 2025 Global Bond	3.37%	3.45%	-4.00	-8.00	-8.00	-333.00
5 Year US Treasury Bond	0.81%	0.83%	2.00	-2.00	45.00	44.00
5 Year UK Gilt	0.31%	0.33%	-1.00	-2.00	40.00	15.00

### Week in Review: April 19 - Apr 23, 2021

#### Local Equity Market

##### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
KEX	40.47%	PURITY	-13.71%
FESCO	31.25%	MTLJA	-9.68%
SALF	24.14%	SSLVC	-6.45%

JSE Main Market activity (excluding preference shares) resulted from trading in 45 stocks of which 25 advanced, 14 declined and 6 traded firm. Market volume (excluding preference shares) amounted to 53,380,010 units valued at over \$388,272,319. JSE Junior Market activity (excluding preference shares) resulted from trading in 41 stocks of which 19 advanced, 17 declined and 5 traded firm. Market volume (excluding preference shares) amounted to 47,301,556 units valued at over \$124,916,050.

#### Global Equity Indices

Index	31-Dec	16-Apr	23-Apr	WoW % Δ	YTD % Δ	YoY % Δ
S&P 500	3,756.07	4,185.47	4,180.17	-0.13%	11.29%	49.41%
Euro Stoxx 50	3,552.64	4,032.99	4,013.34	-0.49%	12.97%	40.70%
MXWD Index	646.27	704.94	704.43	-0.07%	9.00%	49.68%
JSE Main Market Index	395,614.93	397,747.50	402,842.60	1.28%	1.83%	5.90%
JSE Junior Market Index	2,643.38	3,055.12	3,150.55	3.12%	19.19%	32.43%
JSE Combined Index	392,435.92	398,815.66	404,542.48	1.44%	3.08%	7.71%

### Upcoming Week: Apr 26 - Apr 30, 2021

Country	Report	Period	Forecast	Prior
US	Initial Jobless Claims	24-Apr	555,000	547,000
US	FOMC Rate Decision (Upper	28-Apr	0.25%	0.25%
US	GDP Annualized QoQ	I Q A	6.50%	4.30%
US	U. of Mich. Sentiment	Apr F	87.50	86.50
JN	Industrial Production MoM	Mar P	-2.00%	-1.30%
JN	Jobless Rate	Mar	2.90%	2.90%
FR	CPI YoY	Apr P	1.30%	1.10%
UK	Nationwide House PX MoM	Apr	0.50%	-0.20%

# LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS	J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	RATIONALE
April 23, 2021						
JMMB Group Ltd (JMMBGL)	Current Price	\$32.50	EPS \$3.42	ROE 13.08%	ROE 12.81%	JMMBGL is one of Jamaica's largest financial services corporations, entering the market in 1992 as the first Money Market Brokerage firm. The holding company, JMMB Group Limited, was formed as a parent to house the group of companies. To date, the JMMB Group Ltd. has extended its reach across the Caribbean, including the Dominican Republic and Trinidad and Tobago. The Group has over 316,000 clients and continues to grow steadily. We believe that in addition to its core businesses, key strategic partnerships such as the 22.2% stake in Sagico Financial Corporation allows JMMBGL to achieve further diversification and increased profitability.
	52 Week High	\$39.00	BVPS \$26.13	P/E 9.51	P/E 19.15	
BUY	53 Week Low	\$28.00	T12M Div. \$0.25	P/B 1.24	P/B 2.10	
	WoW %	1.75%	Div. Yield % 0.71%	YTD %	-6.32%	
Derrimon Trading Co Ltd (DTL)	Current Price	\$2.55	EPS \$0.07	ROE 19.40%	ROE 12.78%	Derrimon is vertically integrated whereby it manufactures and distributes through its own channels such as Sampars and its Select grocers retail outlets. Over the last five years the company has gone through a tremendous transformation driven by its organic growth in its primary distribution segment and through acquisitions. Consequently, it has delivered expansion which has seen its revenue more than double in five years and profits more than tripled. Although the coronavirus pandemic has slowed business activity in Jamaica generally, and has slowed Derrimon's revenue growth by approximately 1.0% up to September 2020, DTL has remained very profitable. Over the period, the Group delivered profit growth of 27.0% which is a signal of its strength and resiliency given the context of the COVID-19 pandemic.
	52 Week High	\$3.10	BVPS \$0.35	P/E 37.16	P/E 26.31	
BUY	53 Week Low	\$1.80	T12M Div. \$0.01	P/B 7.21	P/B 3.62	
	WoW %	-1.16%	Div. Yield % 0.61%	YTD %	7.30%	
Seprod Ltd (SEP)	Current Price	\$82.30	EPS \$3.92	ROE 17.00%	ROE 17.30%	With the onset of COVID-19, restaurants, supermarkets, bakeries and corner shops in communities have been forced to operate within restricted parameters or have completely shuttered. Although the COVID-19 pandemic has had a negative impact on Seprod's operations, the Group's diversified portfolio has proven to be resilient thus far. Looking ahead, there are still risks that could negatively impact global supply chains and ultimately affect raw material prices, consumer income and economic growth. Notwithstanding, given our estimate that the worst part of the covid-19 restrictions may be behind us, we are expecting that the companies good performance could likely continue into at least the short term. Over the last five years, the group has invested significantly in strengthening its operations and its resiliency. The investments include consolidating aspects of its business where costs were being duplicated, which is a move to position itself for continued resilience and competitiveness in face of the uncertainty which lies ahead. Over the medium-term, the group has further investments plans to improve its distribution, warehousing and logistics efforts that are expected to augment the Groups' profitability over time.
	52 Week High	\$85.00	BVPS \$23.03	P/E 21.02	P/E 17.24	
HOLD	53 Week Low	\$42.00	T12M Div. \$0.60	P/B 3.57	P/B 3.02	
	WoW %	8.70%	Div. Yield % 1.30%	YTD %	26.81%	
Wigton Windfarm Ltd(WIG)	Current Price	\$0.63	EPS \$0.07	ROE 18.12%	ROE 6.77%	We believe that Wigton Windfarm provides an advantage for investors in three main ways. The first is diversification, as it is an alternative energy investment which becomes more crucial in the midst of global warming. The second is an increase in medium to long term value driven by profitability. The third is liquidity as the availability of shares is wide and allows a tidy entry into or exit out of the investment. Wigton Windfarm has potential competition from MPC Caribbean and New Fortress Energy but they together form an ecosystem which is needed to move the Caribbean away from its reliance on Fossil Fuels, the 2nd most expensive item on Jamaica's import bill.
	52 Week High	\$0.95	BVPS \$0.37	P/E 9.51	P/E 25.39	
HOLD	53 Week Low	\$0.62	T12M Div. \$0.00	P/B 1.72	P/B 1.04	
	WoW %	-3.08%	Div. Yield % 0.00%	YTD %	-16.14%	

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# LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	RATIONALE		
April 23, 2021							
Jamaica Broilers Group Ltd (JBG)	Current Price	\$28.21	EPS	\$1.74	ROE 11.53%	<p>Having been in operation for over sixty years, JBG has grown into an iconic brand in Jamaica and now has an increasing presence in the region. The Company's Jamaican operations continue to have a significant impact in the local marketplace through its Best Dressed Chicken and Hi-Pro divisions. However, the local market is mature with growth expected to be low in the medium term. With operations already firmly set in Haiti, JBG moved further to cement a stronghold and presence along the supply chain in the US with its recent acquisitions. In our view, these acquisitions and other inorganic initiatives are expected to be the catalyst for JBG's growth going forward.</p>	
	52 Week High	\$32.94	BVPS	\$15.09	ROE 17.30%		
	53 Week Low	\$23.00	T12M Div.	\$0.41	P/E 16.22		P/E 17.24
	WoW %	-4.21%	Div. Yield %	1.52%	P/B 1.87		P/B 3.02
	YTD %	-4.24%					
BUY							
Wisynco Ltd (WISYNCO)	Current Price	\$15.88	EPS	\$0.68	ROE 17.38%	<p>Wisynco's customers typically include restaurants, supermarkets retail and whole-sale outlets, schools and other food service outlets. As a result of the social distancing orders being enforced by the Government to curb the spread of the virus, the operations of the Company's customers base have been severely disrupted. We acknowledged, however, that the Company's strong brand presence in the food manufacturing and distribution sector, strong balance sheet and distribution network will go a far way to ensure that Wisynco remain resilient over the long-term. We believe that the Management's experience in distribution and the Company's investment in Innovation will be huge drivers of equity return over time. Notwithstanding, over the short to medium term (up to three years) Wisynco's profitability will be challenged as over 95% of the Company's revenues are generated locally and local consumer demand has declined and likely to remain subdued over the short to medium term. In our scenario, the Company is projected to return to pre-COVID state in the FY 2024/FY 2025.</p>	
	52 Week High	\$20.00	BVPS	\$3.89	ROE 17.30%		
	53 Week Low	\$13.00	T12M Div.	\$0.19	P/E 23.50		P/E 17.24
	WoW %	2.12%	Div. Yield %	1.07%	P/B 4.08		P/B 3.02
	YTD %	-5.73%					
HOLD							
Jamaica Producers Group (JP)	Current Price	\$27.72	EPS	\$3.33	ROE 12.08%	<p>Undoubtedly, COVID-19 has had a negative impact on aspects of the business and is likely to continue to weigh on those segments for the remainder of this year, even as the company adjusts its operations to deal with the pandemic. Some segments have remained strong; however, the pandemic has created opportunities for new retail channels to offset the downturn seen in some segments. Importantly, JP is further seeking to strengthen its business over the medium term to improve its capacity, to drive long term growth at the same time it continues to invest in strong food and logistics businesses. Despite COVID-19, JP remains strong with several key financial metrics, including its large and growing cash and securities balance, providing the group with the flexibility to manage and execute on strategies of acquiring undervalued assets.</p>	
	52 Week High	\$28.75	BVPS	\$27.56	ROE 8.50%		
	53 Week Low	\$16.00	T12M Div.	\$0.20	P/E 8.32		P/E 20.91
	WoW %	8.79%	Div. Yield %	1.01%	P/B 1.01		P/B 1.34
	YTD %	32.00%					
HOLD							

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# Mutual Funds

## JN MUTUAL FUNDS

April 22, 2021

Fund Managers Ltd.

A member of the Group

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$14.1138	4.13%	1.97%	2.06%
<b>Global Equity</b>	J\$15.5553	7.05%	3.32%	0.00%
<b>Global Fixed Income</b>	J\$12.9320	5.39%	2.17%	5.12%
<b>Global Money Market (US\$)</b>	US\$10.7341	3.63%	1.09%	2.91%
<b>Global Fixed Income (US\$)</b>	US\$10.9852	10.81%	-0.26%	3.99%
<b>Local Money Market</b>	J\$11.2591	4.78%	2.07%	3.81%

	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.

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