

Weekly Market Recap

US retail sales rise in July; softening job market poses risk to spending

U.S. retail sales increased solidly in July, supported by strong demand for motor vehicles as well as promotions by Amazon.com and Walmart, though a softening labor market and higher goods prices could curb consumer spending growth in the third quarter.

The rise last month together with an upward revision to June’s sales data eased some concerns that economic activity was stalling following weak employment growth over the past three months. The report from the Commerce Department and a survey from the University of Michigan on Friday showing consumers’ inflation expectations increased in August further dimmed the prospect of an oversized interest rate cut by the Federal Reserve next month.

U.S. Treasury Secretary Scott Bessent said on Thursday he thought a half-percentage-point rate cut from the U.S. central bank was possible given the soft employment numbers. But some economists doubted the Fed would even resume its policy easing cycle in September amid growing signs that inflation was poised to accelerate as businesses pass on higher costs from import duties to consumers.

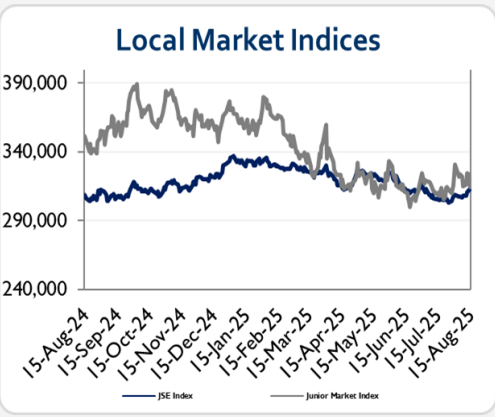
Retail sales rose 0.5% last month after an upwardly revised 0.9% gain in June, the Commerce Department’s Census Bureau said. Economists polled by Reuters had forecast retail sales, which are mostly goods and are not adjusted for inflation, would increase 0.5% after a previously reported 0.6% rise in June.

Financial markets currently expect a rate cut at the Fed’s September 16-17 meeting. The central bank left its benchmark overnight interest rate in the 4.25%-4.50% range last month for the fifth straight time since December.

Source: Reuters

| Global Equity Indices |         |         |         |         |        |        |
|-----------------------|---------|---------|---------|---------|--------|--------|
| Index                 | 31-Dec  | 7-Aug   | 15-Aug  | WoW % Δ | YTD% Δ | YoY% Δ |
| S&P 500               | 5,882   | 6,389   | 6,450   | 0.94%   | 9.66%  | 16.35% |
| Euro Stoxx 50         | 4,896   | 5,348   | 5,449   | 1.89%   | 11.29% | 13.33% |
| MXWD Index            | 841     | 941     | 952     | 1.22%   | 13.16% | 17.13% |
| JSE Index             | 335,795 | 306,813 | 314,200 | 2.41%   | -6.43% | 1.74%  |
| Junior Market Index   | 3,735   | 3,460   | 3,420   | -1.17%  | -8.44% | -5.75% |
| JSE Combined Index    | 347,896 | 318,175 | 324,942 | 2.13%   | -6.60% | 1.12%  |

| Global Interest Rates    |        |       |           |           |           |           |
|--------------------------|--------|-------|-----------|-----------|-----------|-----------|
| Rates                    | 15-Aug | 8-Aug | DoD Δ bps | WoW Δ bps | YTD Δ bps | YoY Δ bps |
| 10 Year US Treasury Bond | 4.32%  | 4.28% | 4.00      | 4.00      | -25.00    | 41.00     |
| 10 Year UK Gilt          | 4.70%  | 4.60% | 6.00      | 10.00     | 13.00     | 78.00     |
| GOJ 2025 Global Bond     | 5.23%  | 5.30% | 1.00      | -7.00     | 119.00    | -26.00    |
| 5 Year US Treasury Bond  | 3.84%  | 3.83% | 3.00      | 1.00      | -54.00    | 5.00      |
| 5 Year UK Gilt           | 4.09%  | 4.04% | 4.00      | 5.00      | -26.00    | 37.00     |
| Money Market Rates       |        |       |           |           |           |           |
| BoJ 30 day CD            | 5.97%  | 5.93% | 0.00      | 4.00      | -446.00   | -390.00   |
| BoJ 90 day T-Bill        | 5.18%  | 5.31% | 0.00      | -13.39    | -286.49   | -303.42   |
| US 30 day Treasury Bill  | 4.19%  | 4.23% | 0.00      | -4.00     | 7.00      | -         |



| International Currency Market |        |        |         |         |        |        |
|-------------------------------|--------|--------|---------|---------|--------|--------|
| Currency                      | 15-Aug | 8-Aug  | DoD % Δ | WoW % Δ | YTD% Δ | YoY% Δ |
| EUR: USD                      | 1.1703 | 1.164  | 0.47%   | 0.53%   | 13.03% | 6.66%  |
| GBP: USD                      | 1.3554 | 1.35   | 0.16%   | 0.76%   | 8.29%  | 5.44%  |
| USD: CAD                      | 1.3819 | 1.38   | 0.01%   | 0.44%   | -3.93% | 0.65%  |
| USD: JPY                      | 147.19 | 147.74 | -0.39%  | -0.37%  | -6.37% | -1.40% |

| Country | Report                  | Due       | Forecast | Prior   |
|---------|-------------------------|-----------|----------|---------|
| US      | Initial Jobless Claims  | 21-Aug-25 | 220,000  | 229,000 |
| US      | S&P Global US Manuf PMI | 21-Aug-25 | 5.50%    | 5.50%   |
| US      | Housing Starts          | 19-Aug-25 | 0.10%    | 0.30%   |
| US      | Existing Home Sales     | 21-Aug-25 | 3.40%    | 3.40%   |
| UK      | CPI YoY                 | 20-Aug-25 | -0.10%   | 0.20%   |
| UK      | S&P Global UK Manuf PMI | 21-Aug-25 | 4.30%    | 4.30%   |
| CA      | CPI YoY                 | 19-Aug-25 | 5.00%    | -11.70% |
| CA      | Housing Starts          | 18-Aug-25 | 2.00%    | 0.90%   |

| Local Foreign Currency Market |        |        |        |         |         |        |
|-------------------------------|--------|--------|--------|---------|---------|--------|
| Currency                      | 15-Aug | 14-Aug | 8-Aug  | DoD % Δ | WoW % Δ | YTD% Δ |
| USD:JMD                       | 161.38 | 161.42 | 161.26 | -0.02%  | 0.07%   | 3.17%  |
| GBP:JMD                       | 218.52 | 217.16 | 215.68 | 0.63%   | 1.31%   | 12.55% |
| CAD:JMD                       | 118.72 | 117.13 | 118.49 | 1.36%   | 0.19%   | 8.52%  |

| JN MUTUAL FUNDS            |             |                       |                 |                                 |
|----------------------------|-------------|-----------------------|-----------------|---------------------------------|
| August 13, 2025            |             |                       |                 |                                 |
| JN Mutual Funds            | NAV Price   | 12 Months Growth Rate | YTD Growth Rate | Yield (Estimated Yearly Income) |
| Global Diversified Income  | J\$13.4837  | 1.23%                 | -3.03%          | 3.43%                           |
| Global Equity              | J\$14.2827  | -0.32%                | -7.66%          | 0.00%                           |
| Global Fixed Income        | J\$16.6903  | 6.81%                 | 4.28%           | 6.83%                           |
| Global Money Market (US\$) | US\$11.6588 | 2.80%                 | 2.03%           | 2.61%                           |
| Global Fixed Income (US\$) | US\$11.2781 | 2.86%                 | 2.75%           | 3.03%                           |
| Local Money Market         | J\$14.1522  | 6.46%                 | 4.31%           | 7.20%                           |

# Stock Recommendation list

| Industry or Company                    | 52 Week |       | Close Price | Close Price | P/E Ratio | P/B Ratio | T12M Dividend Yield | Recommendation |
|--|---------|-------|-------------|-------------|-----------|-----------|---------------------|----------------|
|  | HIGH    | LOW   | 15-Aug-25   | 31-Dec-24   |           |           |                     |                |
| Finance                                |         |       |             |             |           |           |                     |                |
| JMMB Group Ltd                         | 27.00   | 18.01 | 19.64       | 22.31       | 3.73      | 0.69      | 1.27%               | BUY            |
| Proven Jamaica Ltd.                    | 21.50   | 13.91 | 16.57       | 19.52       | 13.06     | 0.83      | 3.82%               | BUY            |
| Victoria Mutual Investments Ltd        | 3.58    | 1.75  | 1.81        | 2.52        | 209.01    | 0.89      | 2.93%               | BUY            |
| Manufacturing                          |         |       |             |             |           |           |                     |                |
| Caribbean Cement Co Ltd                | 105.00  | 63.00 | 91.77       | 84.51       | 12.80     | 2.85      | 2.14%               | BUY            |
| Jamaica Broilers Group Ltd             | 42.31   | 23.50 | 25.34       | 35.92       | 5.11      | 0.95      | 2.01%               | HOLD           |
| Seprod Ltd                             | 92.40   | 75.10 | 83.26       | 87.17       | 27.26     | 2.02      | 1.45%               | BUY            |
| Wisynco Ltd                            | 22.50   | 18.01 | 20.34       | 21.44       | 15.05     | 2.94      | 2.26%               | BUY            |
| Conglomerate                           |         |       |             |             |           |           |                     |                |
| Grace Kennedy Ltd                      | 87.00   | 67.01 | 70.29       | 78.94       | 8.29      | 0.82      | 3.37%               | BUY            |
| Jamaica Producers Group                | 27.00   | 18.50 | 23.69       | 24.74       | 6.73      | 0.71      | 1.27%               | BUY            |
| Massy Holdings Limited                 | 87.70   | 65.00 | 77.02       | 84.88       | 9.23      | 0.85      | 114.09%             | BUY            |
| Leisure                                |         |       |             |             |           |           |                     |                |
| Supreme Ventures Ltd                   | 26.50   | 17.25 | 19.26       | 24.73       | 24.78     | 11.25     | 2.24%               | BUY            |
| Services                               |         |       |             |             |           |           |                     |                |
| Kingston Wharves Ltd                   | 34.56   | 25.42 | 31.05       | 32.90       | 13.99     | 0.94      | 2.19%               | BUY            |
| Transjamaican Highway Limited          | 4.98    | 3.05  | 3.68        | 4.63        | 8.74      | 4.51      | 6.01%               | BUY            |
| Real Estate                            |         |       |             |             |           |           |                     |                |
| Eppley Caribbean Property Fund Ltd SCC | 46.99   | 29.00 | 42.50       | 29.10       | 5.28      | 0.55      | 5.55%               | BUY            |
| Retail                                 |         |       |             |             |           |           |                     |                |
| Fontana Ltd                            | 10.50   | 7.50  | 8.85        | 8.11        | 18.93     | 3.58      | 5.65%               | BUY            |
| Stationery & Office Supplies           | 1.93    | 1.20  | 1.61        | 1.68        | 16.79     | 2.47      | 0.00%               | BUY            |

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