

U.S. economy added 353,000 jobs in January

The U.S. economy added far more jobs than expected in January, pointing to lingering strength in the labour market that could bolster the case for the Federal Reserve to delay cutting interest rates. Non-farm payrolls in the world's largest economy rose by 353,000 last month, increasing from an upwardly revised total of 333,000 in December, according to data from the Bureau of Labor Statistics (BLS). Economists had called for a reading of 187,000. December's revision -- a sharp uptick from the prior mark of 216,000 -- was the result of an annual benchmarking process as well as seasonal adjustment factors, the BLS said in a statement.

The January unemployment rate was 3.7%, matching the prior month. Meanwhile, average hourly earnings grew by 0.6% month-on-month, accelerating from 0.4% in December and faster than projections of 0.3%. Fed officials have been on the lookout for signs of moderation in job demand, which in theory could help deflate wage expansion and subsequent upward pressure on inflation. For that reason, the blowout January figures may influence how the central bank approaches possible interest rate cuts in the coming months.

Earlier this week, Fed chair, Jerome Powell played down expectations for an early spring reduction, saying that such a scenario was not his "base case." He added that further evidence of cooling price gains was needed before the Fed could begin to contemplate cuts. The comments came after the Fed held rates at a more than two-decade high range of 5.25% to 5.50%, but removed language from its official statement regarding the possibility of additional hikes if necessary. Markets have since recalibrated their bets for cuts this year, with the CME Group's Fed Watch Tool now showing a roughly 60% chance that the Fed will first slash rates by 25 basis points in May. Hopes, fuelled by surprisingly dovish Fed commentary near the end of last year, were previously high that a reduction could come as soon as March.

Source: Investing.com

Currency Markets

International Currency Market

Currency	2-Feb	26-Jan	DoD % Δ	WoW % Δ	YTD% Δ	YoY% Δ
EUR: USD	1.079	1.085	-0.72%	-0.54%	-2.22%	-1.06%
GBP: USD	1.264	1.270	-0.82%	-0.50%	-0.71%	3.39%
USD: CAD	1.346	1.350	0.55%	0.05%	1.64%	1.08%
USD: JPY	148.300	148.150	1.28%	0.10%	5.15%	15.25%

Local Foreign Currency Market

Currency	2-Feb	1-Feb	26-Jan	DoD % Δ	WoW % Δ	YTD% Δ
USD:JMD	157.04	156.76	156.40	0.18%	0.41%	1.35%
GBP:JMD	199.58	198.19	199.88	0.70%	-0.15%	1.1%
CAD:JMD	117.09	117.17	116.37	-0.07%	0.62%	-0.7%

Global Interest Rates

Rates	2-Feb	26-Jan	DoD Δ bps	WoW Δ bps	YTD Δ bps	YoY Δ bps
10 Year US Treasury Bond	4.03%	4.14%	15.00	-11.00	15.00	64.00
10 Year UK Gilt	3.92%	3.96%	17.00	-4.00	38.00	91.00
GOJ 2025 Global Bond	6.54%	6.61%	6.00	-7.00	250.00	5.00
5 Year US Treasury Bond	3.99%	4.04%	18.00	-5.00	14.00	50.00
5 Year UK Gilt	3.91%	3.89%	21.00	2.00	45.00	103.00

Week in Review: January 29 - February 2, 2024

Local Equity Market

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
ISP	33.54%	FIRSTROCKUSD	-18.67%
LAB	19.33%	MFS	-11.65%
MTL	15.00%	CHL	-10.74%

JSE Main Market activity (excluding preference shares) resulted from trading in **50** stocks of which **29** advanced, **17** declined and **4** traded firm. Market Volume (excluding preference shares) amounted to **77,391,866** units valued at over **\$1,442,674,479**. JSE Junior Market activity (excluding preference shares) resulted from trading in **47** stocks of which **22** advanced, **20** declined and **5** traded firm. Market volume (excluding preference shares) amounted to **39,496,348** units valued at over **\$87,709,201**.

Global Equity Indices

Index	29-Dec	26-Jan	2-Feb	WoW % Δ	YTD% Δ	YoY% Δ
S&P 500	4,769.83	4,890.97	4,958.60	1.38%	3.96%	18.63%
Euro Stoxx 50	4,521.44	4,635.47	4,654.55	0.41%	2.94%	9.75%
MXWD Index	727.00	733.77	741.00	0.99%	1.93%	11.88%
JSE Main Market Index	325,699.79	323,274.84	329,340.57	1.88%	1.12%	-2.27%
JSE Junior Market Index	3,848.33	3,759.37	3,798.77	1.05%	-1.29%	-4.08%
JSE Combined Index	339,158.12	336,104.77	342,138.51	1.80%	0.88%	-2.45%

Upcoming Week: February 5 — February 9, 2024

Country	Report	Period	Forecast	Prior
US	Initial Jobless Claims	3-Feb	220,000	224,000
US	Wholesale Inventories MoM	Dec F	0.40%	0.40%
US	ISM Services Index	Jan	52	50.6
US	S&P Global US Services PMI	Jan F	52.9	52.9
UK	S&P Global UK Services PMI	Jan F	53.8	53.8
UK	S&P Global UK Constr'n PMI	Jan	47.2	46.8
CA	Unemployment Rate	Jan	5.90%	5.80%
CA	Building Permits MoM	Dec	1.00%	-3.90%

LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS	J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	
February 2, 2024						
Grace Kennedy Ltd (GK)	Current Price	\$77.27	EPS	\$7.86	ROE	10.05%
	52 Week High	\$85.00	BVPS	\$78.16	P/E	9.84
	53 Week Low	\$60.00	T12M Div.	\$2.06	P/B	0.99
	WoW %	1.46%	Div. Yield %	2.61%		
BUY	YTD %	-2.71%				
Jamaica Producers Group (JP)	Current Price	\$22.64	EPS	\$11.81	ROE	41.56%
	52 Week High	\$27.00	BVPS	\$28.41	P/E	1.92
	53 Week Low	\$18.00	T12M Div.	\$0.30	P/B	0.80
	WoW %	2.30%	Div. Yield %	1.37%		
BUY	YTD %	2.91%				
Wisynco Ltd (WISYNCO)	Current Price	\$22.42	EPS	\$1.38	ROE	22.82%
	52 Week High	\$23.00	BVPS	\$6.04	P/E	16.28
	53 Week Low	\$16.00	T12M Div.	\$0.42	P/B	3.71
	WoW %	6.76%	Div. Yield %	2.43%		
BUY	YTD %	#N/A				
JMMB Group Ltd (JMMBGL)	Current Price	\$24.08	EPS	\$6.24	ROE	24.27%
	52 Week High	\$35.94	BVPS	\$25.70	P/E	3.86
	53 Week Low	\$23.01	T12M Div.	\$0.00	P/B	0.94
	WoW %	0.33%	Div. Yield %	0.00%		
BUY	YTD %	-7.10%				




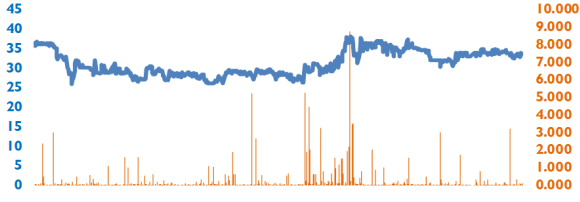



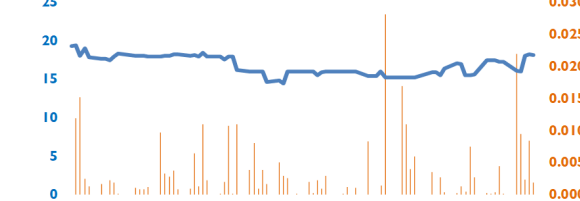



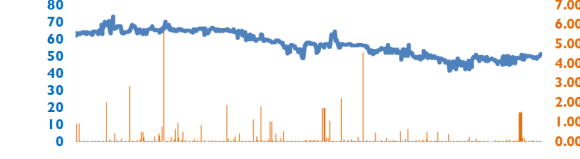
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LOCAL STOCK RECOMMENDATIONS

COMPANY NAME	PRICE MOVEMENTS	J\$	STATISTICS	COMPANY VITALS	INDUSTRY VITALS	
February 2, 2024						
Jamaica Broilers Group Ltd (JBG)	Current Price	\$33.55	EPS	\$4.09	 ROE 17.83%	ROE 11.61%
	52 Week High	\$39.99	BVPS	\$22.96	 P/E 8.20	P/E 12.89
	53 Week Low	\$28.50	T12M Div.	\$0.78	 P/B 1.46	P/B 2.57
	WoW %	1.48%	Div. Yield %	2.65%		
	YTD %	-1.76%				
BUY						
Sygnus Real Estate Finance Limited (SRFJMD)	Current Price	\$11.18	EPS	\$1.34	 ROE 3.27%	ROE 7.17%
	52 Week High	\$15.00	BVPS	\$40.92	 P/E 8.35	P/E 15.37
	53 Week Low	\$8.90	T12M Div.	\$0.00	 P/B 0.27	P/B 0.77
	WoW %	9.61%	Div. Yield %	0.00%		
	YTD %	9.18%				
BUY						
Scotia Group Jamaica Ltd (SGJ)	Current Price	\$43.41	EPS	\$5.50	 ROE 15.05%	ROE 5.70%
	52 Week High	* 46.00	BVPS	\$36.58	 P/E 7.89	P/E 10.96
	53 Week Low	\$30.00	T12M Div.	\$1.30	 P/B 1.19	P/B 1.30
	WoW %	7.93%	Div. Yield %	3.73%		
	YTD %	13.19%				
BUY						

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Mutual Funds



A member of the Group

JN MUTUAL FUNDS

February 1, 2024

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.5337	4.66%	0.41%	3.13%
Global Equity	J\$14.4632	1.13%	0.06%	0.00%
Global Fixed Income	J\$15.0812	8.15%	0.84%	7.16%
Global Money Market (US\$)	US\$11.5849	1.28%	0.31%	3.20%
Global Fixed Income (US\$)	US\$11.4935	-0.13%	0.33%	3.32%
Local Money Market	J\$13.1822	7.99%	1.11%	7.40%

	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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