

NCBCM Unit Trust Fact Sheet

As at December 2024

NCB CAPITAL MARKETS

UNIT TRUST PORTFOLIOS

NCB CapFunds are designed to simplify the investment process while delivering meaningful value over the medium to long term. With our unit trust products, investors gain access to six expertly managed funds, each tailored to address a wide range of financial goals and risk preferences. Whether investors are seeking growth, stability, and/or income, NCB CapFunds provide flexible solutions to help achieve investment objectives with confidence.

DIVERSIFIED PORTFOLIOS

M FUND – JMD MONEY MARKET PORTFOLIO

INVESTMENT OBJECTIVES

The primary objective of the Money Market Portfolio (MMF) is to achieve maximum income while preserving capital and liquidity, by primarily investing in Jamaican dollar (J\$) money market instruments.

INVESTMENT STRATEGY

The portfolio primarily invests in short-term J\$ government and commercial/ corporate papers, in addition to foreign currency money market instruments from Caribbean, US, UK, and Canadian companies. These investments are subjected to specified investment constraints. The fund may also include medium-term debt securities offering high-income yields and potential short-term capital appreciation, as well as high-dividend-yield stocks of listed companies.

RISK RATING

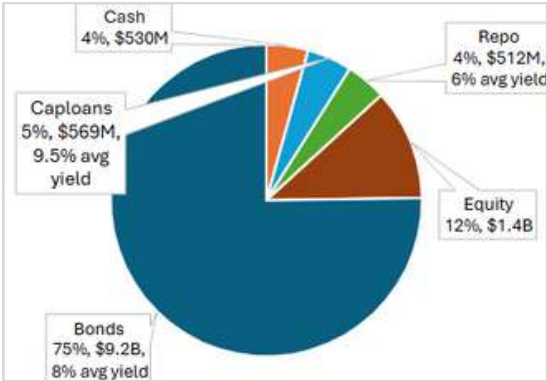
The MMF has a **low** risk rating. This indicates that the investments have minimal potential for loss of principal and stable returns.



TARGET INVESTOR TYPE

This fund is suitable for Investors who are conservative, income oriented or those who may be looking for a short-term investment vehicle pending a longer-term investment decision. The fund caters to investors with a short-term investment horizon and for whom principal security is a primary concern.

ASSET ALLOCATION



FUND DETAILS

Main Currency:	JMD
Minimum Investment:	\$50,000
Subsequent Investment:	\$5,000
Minimum Holding Period:	30 days
Preliminary Charge:	0%
Management Fees:	1.75%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt

PRICE AND PERFORMANCE

As at Dec. 2024	
Performance Relative to Industry Peers:	6th
Net Asset Value per unit:	\$15.3549
Year-to-date Growth Rate:	3.30%
12-Month Growth Rate:	3.30%
Estimated Yearly Yield:	3.32%
Inception Date:	Nov. 2013

TOP INVESTMENTS

Holdings	Value	% of Portfolio
Unicomer VR 10 YR 2028	\$620M	5.1%
Stratus SCC Infrastructure Fund	\$600M	4.9%
Repos	\$512M	4.2%
GHL 6.50% 2025 BOND	\$450M	3.7%
GOJ 10.00% 2028	\$400M	3.3%
Total Holdings	\$2.58B	21.2%

FUND – JMD EQUITY PORTFOLIO

INVESTMENT OBJECTIVES

The portfolio utilizes a dynamic mix of growth and value investing strategies to generate long-term capital appreciation primarily through equity securities.

INVESTMENT STRATEGY

The portfolio primarily invests in publicly traded equity securities from Jamaica, the region, and globally, including common and preferred stocks, convertible debt securities, and rights offerings. Asset allocation is driven by the anticipated performance of equity markets, industries, and companies, with consideration of economic, social, and political factors. The Investment Manager (IM) actively rebalances the portfolio, prioritizing resilient stocks to enhance performance and reducing exposure to vulnerable issuers.

RISK RATING

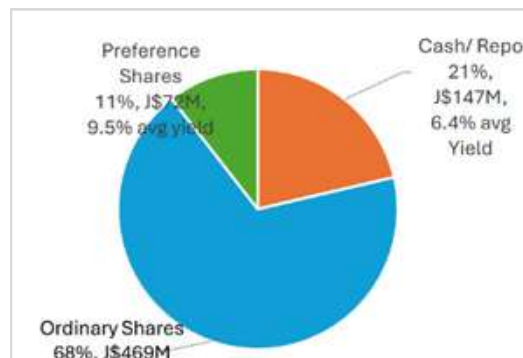
The EF has a **high** risk rating. This indicates that the equity fund investments have a greater potential for significant losses but also higher potential returns.



TARGET INVESTOR TYPE

The Equity Fund (EF) is suitable for Investors with an aggressive risk profile who are seeking a diversified equity portfolio. Additionally, it is ideal for investors with a medium to long-term investment horizon seeking to maximize capital growth.

ASSET ALLOCATION



FUND DETAILS

Main Currency:	JMD
Minimum Investment:	\$50,000
Subsequent Investment:	\$5,000
Minimum Holding Period:	30 days
Preliminary Charge:	4%
Management Fees:	1.75%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt.

PRICE AND PERFORMANCE

As at Dec 2024

Performance Relative to Industry Peers:	6th
Net Asset Value per unit:	\$28.4824
Year-to-date Growth Rate:	4.40%
12-Month Growth Rate:	4.40%
Estimated Yearly Yield:	7.94%
Inception Date:	Nov. 2013

TOP INVESTMENTS

Holdings	Value	% of Portfolio
SEP	\$197M	28.5%
WISYNCO	\$107M	15.5%
BOJ 30 Day CD Due Jan 10, 2025	\$100M	14.5%
OUTLOOK	\$96M	13.9%
INDIES	\$74M	10.7%
Total Holdings	\$574M	83.1%

FUND – USD MONEY MARKET PORTFOLIO

INVESTMENT OBJECTIVES

The primary objective of this fund is to generate a high level of current income in US dollars (US\$) while prioritizing capital preservation and liquidity. The portfolio invests in short-term US dollar-denominated money market instruments and other interest-bearing securities.

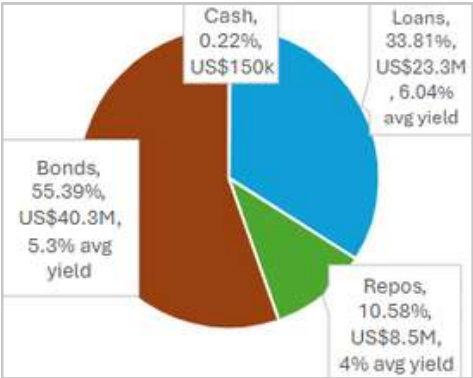
TARGET INVESTOR TYPE

The portfolio is ideal for conservative investors with low risk tolerance who prioritize principal security. It suits those seeking hard currency investments or a temporary investment vehicle while deciding on long-term options.

INVESTMENT STRATEGY

The portfolio primarily invests in US dollar short to medium-term debt securities issued or backed by the governments of Jamaica, the US, the UK, and Canada, as well as their agencies. It includes loan obligations and high-yielding medium-term debt securities. Focused on low-risk, short-term US dollar-denominated assets, the portfolio aims to enhance near-term returns while maintaining liquidity. The IM targets attractively priced opportunities in government-backed loans, notes, and investment-grade corporate securities.

ASSET ALLOCATION



RISK RATING

The MMF has a **low** risk rating. This indicates that the investments have minimal potential for loss of principal and stable returns.



FUND DETAILS

Main Currency:	USD
Minimum Investment:	\$100
Subsequent Investment:	\$50
Minimum Holding Period:	30 days
Preliminary Charge:	0%
Management Fees:	1.50%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt.

PRICE AND PERFORMANCE

As at Dec 2024	
Performance Relative to Industry Peers:	1st
Net Asset Value per unit:	\$1.1985
Year-to-date Growth Rate:	2.61%
12-Month Growth Rate:	2.61%
Estimated Yearly Yield:	3.12%
Inception Date:	Oct. 2014

TOP INVESTMENTS

Holdings	Value	% of Portfolio
Fixed Rate Loan	\$12M	17.11%
Repo	\$8.5M	12.15%
SAGICOR FIN 5.30% 2028 EB	\$8.4M	12.03%
PIL 5.00% 2025 Secured Note	\$7.0M	9.98%
TRITOB 4.5% 2030 EB	\$5.4M	7.63%
Total Holdings	\$43.3M	58.9%

xB FUND – USD BOND PORTFOLIO

INVESTMENT OBJECTIVES

The primary objective of the USD Bond Fund (xB) is to maximize total return in US dollars through capital appreciation and income by investing in medium to long term fixed income securities.

RISK RATING

The xB portfolio has a **medium** risk rating. This indicates that the fund’s investments have a greater potential for moderate losses but also higher potential returns.



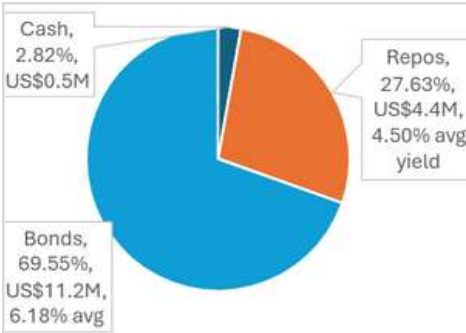
TARGET INVESTOR TYPE

The portfolio is ideal for investors who have a moderate to aggressive risk profile. Also, for investors who are seeking capital appreciation and are willing to accept moderate to high fluctuations in unit prices over the short term.

INVESTMENT STRATEGY

The portfolio primarily invests in US dollar-denominated medium- to long-term debt securities issued or backed by the Government of Jamaica, as well as instruments from the governments of the US, UK, and Canada or their agencies. It may also include global commercial paper, investment-grade sovereign and corporate obligations, and shares and debt securities with investment-grade ratings. With the decline in interest rates the IM focuses on duration management and identifying attractively priced assets.

ASSET ALLOCATION



FUND DETAILS

Main Currency:	USD
Minimum Investment:	\$100
Subsequent Investment:	\$50
Minimum Holding Period:	90 days
Preliminary Charge:	0%
Management Fees:	1.75%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt.

PRICE AND PERFORMANCE

As at Dec 2024

Performance Relative to Industry Peers:	3rd
Net Asset Value per unit:	\$1.3376
Year-to-date Growth Rate:	3.34%
12-Month Growth Rate:	3.34%
Estimated Yearly Yield:	3.34%
Inception Date:	Oct. 2014

TOP INVESTMENTS

Holdings	Value	% of Portfolio
GOJ 6.75% 2028	\$4.7M	29.3%
TRAJAM 5.75% 2036	\$4.5M	21.5%
Repos	\$4.4M	21.3%
GOAW 6.50% 2029	\$1.5M	9.3%
GGOTT 4.5% 2026 EB	\$750k	4.6%
Total Holdings	\$15.85M	86%

NON-DIVERSIFIED PORTFOLIOS

FUND – JMD HIGH YIELD ASSET AND LOAN PORTFOLIO

INVESTMENT OBJECTIVES

The portfolio utilizes a dynamic mix of growth & value investing strategies to generate long-term capital appreciation primarily through equity securities.

INVESTMENT STRATEGY

The portfolio primarily invests in medium to long-term fixed-income corporate assets, loans, preference shares, and high-dividend-yield listed companies. While it focuses predominantly on Jamaican dollar-denominated securities, it also considers investments in other currencies. The portfolio targets high-yield corporate debt exposures and loans, with the IM actively monitoring and repositioning investments to align with the fund's risk and return objectives.

RISK RATING

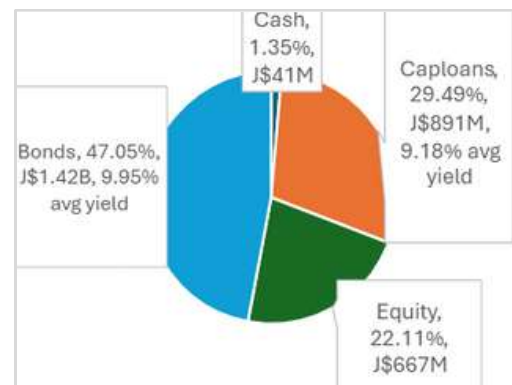
The HYAL portfolio has a **medium** risk rating. This indicates that the fund's investments have a greater potential for moderate losses but also higher potential returns.



TARGET INVESTOR TYPE

The portfolio is suited for investors with a moderate to aggressive risk profile seeking capital appreciation. It caters to those with medium to long-term investment horizons who are willing to accept moderate to high price fluctuations. Additionally, it appeals to investors seeking diversified exposure to a mix of fixed income, stocks, and money market investments to manage portfolio risks effectively.

ASSET ALLOCATION



FUND DETAILS

Main Currency:	JMD
Minimum Investment:	\$50,000
Subsequent Investment:	\$5,000
Minimum Holding Period:	180 days
Preliminary Charge:	0%
Management Fees:	1.75%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt.

PRICE AND PERFORMANCE

As at Dec 2024

Performance Relative to Industry Peers:	5th
Net Asset Value per unit:	\$14.4108
Year-to-date Growth Rate:	2.15%
12-Month Growth Rate:	2.15%
Estimated Yearly Yield:	7.05%
Inception Date:	Feb. 2017

TOP INVESTMENTS

Holdings	Value	% of Portfolio
Caploans & Cap Margins	\$1.3B	32.4%
NWC	\$300M	10.7%
MBUCL 15.50% PREF	\$200M	6.4%
PAJ 8.35% 2044 UNSECURED NOTE	\$200M	6.4%
OUTLOOK	\$143M	4.5%
Total Holdings	\$2.14B	60.4%

rE FUND – JMD REAL ESTATE PORTFOLIO

INVESTMENT OBJECTIVES

The Real Estate Portfolio (rE) seeks long-term capital appreciation by giving investors access to a broad range of income and growth producing real estate assets.

INVESTMENT STRATEGY

The portfolio focuses on high-quality commercial real estate assets in prime locations designed to attract and sustain high occupancy levels. The IM seeks to enhance returns by boosting occupancy rates and maximizing lease income. Additionally, the portfolio may include investments in real estate securities.

RISK RATING

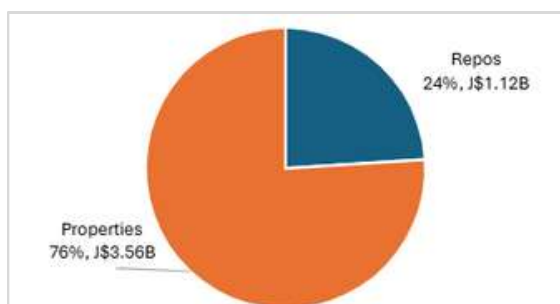
The rE portfolio has a **medium** risk rating. This indicates that the fund's investments have a greater potential for moderate losses but also higher potential returns.



TARGET INVESTOR TYPE

The rE portfolio is ideal for investors with a moderate to aggressive risk profile who seek capital appreciation. It is best suited for those willing to accept moderate to high short-term price fluctuations in pursuit of their investment goals.

ASSET ALLOCATION



LIST OF PROPERTIES

Property	Total Sq Ft
9 Knutsford Boulevard	11,310.00
1-7Knutsford Boulevard	45,994.96
37 Duke Street	47,887.80
39 Duke Street	7,942.40
Perth Road Mandeville	113,332.20
Halfway Tree	69,080.55
Matilda's Corner	52,605.92
Main Street May Pen	19,124.45
St. Ann's Bay	72,034.46
17 Trafalgar Road	18,183.00
39 Main Street May Pen Parking Lot	10,890.00

FUND DETAILS

Main Currency:	JMD
Minimum Investment:	\$50,000
Subsequent Investment:	\$5,000
Minimum Holding Period:	3 years
Preliminary Charge:	2.0%
Management Fees:	2.50%
Early Redemption Charge:	4.0%
Fund Manager:	NCB Capital Markets Ltd
Trustee:	MF&G Asset Mgmt.

PRICE AND PERFORMANCE

As at Dec 2024

Performance Relative to Industry Peers:	2nd
Net Asset Value per unit:	\$14.3791
Year-to-date Growth Rate:	24.46%
12-Month Growth Rate:	24.46%
Estimated Yearly Yield:	2.56%
Inception Date:	March 2023

Economic OVERVIEW

Economic Overview and Outlook

According to the BOJ, economic growth in FY2024/25 was affected by the adverse impact of Hurricane Beryl and the lagged effects of monetary policy on spending. Subsequently, growth is projected to normalize evidenced by a rebound in economic activity in FY2025/26. In December 2024, the Producer Price Index (PPI) for both the Mining & Quarrying and Manufacturing industries declined, according to the Statistical Institute of Jamaica. The Mining & Quarrying industry saw a slight decrease of 0.1 percent, while the Manufacturing industry experienced a more significant decline of 0.6 percent, largely driven by a 3.7 percent drop in 'Refined Petroleum Products.'. However, the 'Food, Beverages & Tobacco' index remained stable.

The All-Jamaica Consumer Price Index (CPI) rose to 143.5, reflecting a 1.2 percent increase. The primary driver of this increase was a 1.9 percent rise in the 'Food and Non-Alcoholic Beverages' division, led by a 5.5 percent surge in the 'vegetables, plantains, etc' category. The second-largest contributor to the monthly inflation rate was a 2.4 percent rise in the 'Housing, Water, Electricity, Gas, and Other Fuels' division, mainly due to higher water and electricity rates. These increases were slightly offset by a 0.3 percent decline in the 'Transport' division, attributed to lower petrol prices.

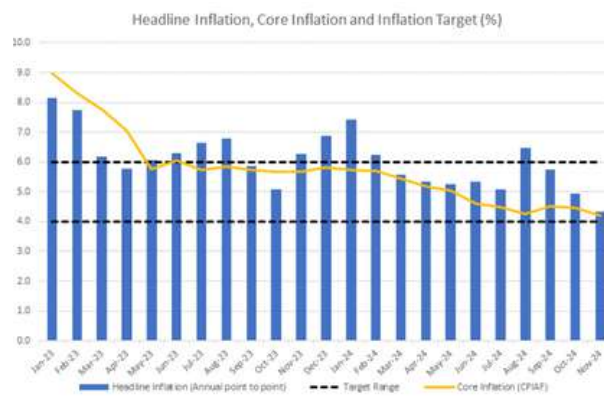
For the period December 2023 to December 2024, the point-to-point inflation rate was 5.0 percent, primarily influenced by increases in the 'Food and Non-Alcoholic Beverages' (8.1%), 'Housing, Water, Electricity, Gas, and Other Fuels' (3.2%), and 'Restaurants and Accommodation Services' (4.0%) divisions.

Inflation

Annual headline inflation at November 2024, as reported by the Statistical Institute of Jamaica (STATIN), was 4.3 per cent, representing a trend reduction from 7.4 per cent at January 2024.

Core inflation (which excludes the prices of agricultural food products and fuel from the consumer price index (CPI)) was 4.2 per cent at November 2024, representing the seventeenth consecutive month that core inflation fell below 6.0 per cent.

Over the next eight quarters, inflation is likely to remain within the Bank's target range. There, however, remains an upside risk to the inflation projection in the context of the uncertainty associated with the potential changes to economic policies among Jamaica's main trading partners.



Interest Rates & Monetary Policy

At its meetings on 18 and 19 December 2024, the Monetary Policy Committee (MPC) assessed the prevailing economic conditions and determined that they were favorable for a further easing of its monetary policy stance. As a result, the MPC unanimously decided to reduce the policy rate by 25bps to 6.00 percent per annum, effective Monday, 23 December 2024, marking the fourth consecutive reduction for the year.

Additionally, the committee reaffirmed its commitment to maintaining relative stability in the foreign exchange market. The decision to further ease monetary policy was primarily driven by the fact that inflation has remained anchored within the target range, despite the impact of recent adverse weather conditions on prices.

Alongside the policy rate reduction, the MPC also opted to narrow the interest rate corridor from 300 bps to 200 bps. Consequently, effective 23 December 2024, the rate on the Bank's Standing Liquidity Facility (SLF) will be reduced to 8.00 percent per annum.

Exchange Rate

Between September and December 2024, the Jamaican dollar exhibited mixed movements against the U.S. dollar. After closing September at approximately J\$158.70 per US\$1, the Jamaican dollar appreciated to around J\$156.23 per US\$1 by the end of December 2024. This represents an appreciation of about J\$2.47 or 1.56% over the quarter.

Year-to-date, from January to December 2024, the Jamaican dollar experienced a slight depreciation of approximately J\$0.19 or 0.12%, moving from J\$156.42 to J\$156.23 per US\$1.

On the international stage, the U.S. dollar faced notable depreciation against several major currencies in 2024, primarily due to market anticipations of the Federal Reserve's first rate cut since the onset of the COVID-19 pandemic.

DISCLOSURE

Company Identification

NCB Capital Markets Limited (formerly Edward Gayle and Company) was established in 1968 and is Jamaica's oldest stock brokerage company. The company became a part of the NCB Group in 1994 and a fully owned subsidiary in October 2002. In December 2002, the then Edward Gayle and Company was merged with another NCB subsidiary, NCB Investments. The products distributed by this combined subsidiary cover the traditional money market product offerings (J\$ and US\$ Repos), primary dealer services, stock brokerage and investment advisory services. Edward Gayle and Company was renamed NCB Capital Markets Limited in October 2003.

Important Disclosures

The views expressed in this report are the views of NCB Capital Markets Limited at the date of this report.

Disclaimer

This report is for distribution to the clients of NCB Capital Markets Limited. It does not take into account the specific investment objectives, financial situation or particular needs of any specific recipient. It is published only for informational purposes. No guarantee is provided in relation to the accuracy and completeness of the information contained herein, nor is it intended to be a complete statement or summary of securities, markets or developments referred to in this report. The report should not be regarded by recipients as a substitute for the exercise of their own judgment or for obtaining advice directly from one of our investment advisors.

In accordance with Section 39 (I) of the Securities Act of 1993, NCB Capital Markets Limited hereby states that it is a subsidiary of NCB Jamaica Ltd. and to that extent may be regarded as interested in the acquisition or disposal of the shares of NCB Jamaica Ltd. However, the company acts in a proper and professional manner in making any recommendations regarding shares listed on the Jamaica Stock Exchange. Share prices may fluctuate, and past performance is not necessarily a guarantee of future returns.

Sources

<https://boj.org.jm/summary-of-decisions-december-2024/>

https://www.exchangerates.org.uk/USD-JMD-spot-exchange-rates-history-2024.html?utm_source

<https://statinja.gov.jm/PressReleases.aspx>
