NCB CAPITAL MARKETS LIMITED

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Market Guide

THIS ISSUE

"The bitterness of poor quality remains long after the sweetness of low price is forgotten." – Ben Franklin

Annya Walker, CFA
VP Strategy Research
Innovation & Projects
(876) 935-2716
Walkerad@jncb.com

Raju Gunnings, FMVA
Senior Research Analyst
Gunningsrr@jncb.com

Thea Christian, CBCA, FMVA, CMSA
Senior Research Analyst
Howardta@jncb.com

Shereese Bailey, CBCA CMSA, FMVA
Research Analyst
Baileysd@jncb.com

Jamie Muir, FMVA
Research Analyst
Muirja@jncb.com

Sean-Isaac Watson, CMSA
Research Analyst
Watsonsn@jncb.com

NCB Capital Markets Ltd I NCB Capital Markets (Barbados) Ltd
NCB Capital Markets (Cayman) Ltd. I NCB Merchant Bank (Trinidad & Tobago) Ltd

Hurricane Melissa Ravages Consumers' Wallets

From February 2024[1] through much of this year, local inflation appeared to be moving in one direction - down. A slower pace of increase in consumer prices signalled easing price pressures, BOJ expectations for monetary policy easing and painted an overall picture of stability. However, Hurricane Melissa has upended this narrative, unleashing a massive supply-side shock that is expected to push inflation higher, at least over the near-term. Disruptions to the agricultural sector and damage to critical infrastructure are likely to cause the indexes for Food and Non-Alcoholic Beverages (FNB) and the Housing, Water, Electricity, Gas and Other Fuels index (HWEG), respectively – two of the most sensitive drivers of Jamaica's inflation basket – to spike in the coming months. This week, we unpack how this supply-side shock brought on by Hurricane Melissa is reshaping the inflation trajectory and could delay further monetary policy easing, at least until domestic food production and utility prices begin to normalise.

Over the past five months, Jamaica's point-to-point inflation (P2P inflation) has tracked below the Bank of Jamaica's (BOJ's) 4% to 6% target range, against the background of a normalisation in agricultural supplies and the resulting reductions in food prices following the sectoral shock caused by Hurricane Beryl in 2024. Additionally, lower electricity costs, resulting from the reduction in the General Consumption Tax (GCT) on electricity charges, the waning effects of previous increases in public transport fares and the absence of new fare adjustments all contributed to a softening in consumer price increases. This period of falling inflation reflects nearly 2 years of disinflation from the 11.8% post-COVID peak, as the BOJ hiked policy rates to as high as 7.00% to stabilise prices. That said, in October 2025, P2P Inflation rose to 2.9% up from 2.1% in September. This increase was primarily driven by the price of agricultural items such as vegetables, tubers, plantains, cooking bananas and pulses, which contribute to the rise in the FNB index – the heaviest-weighted index in the Consumer Price Index (35.8%). Higher electricity and rent costs, which feed into the HWEG index, the second heaviest-weighted contributor to inflation (17.8%), also contributed to the increase. That said, despite the jump from September to October, rates were still comfortably below the BOJ's target range (See figure 1).

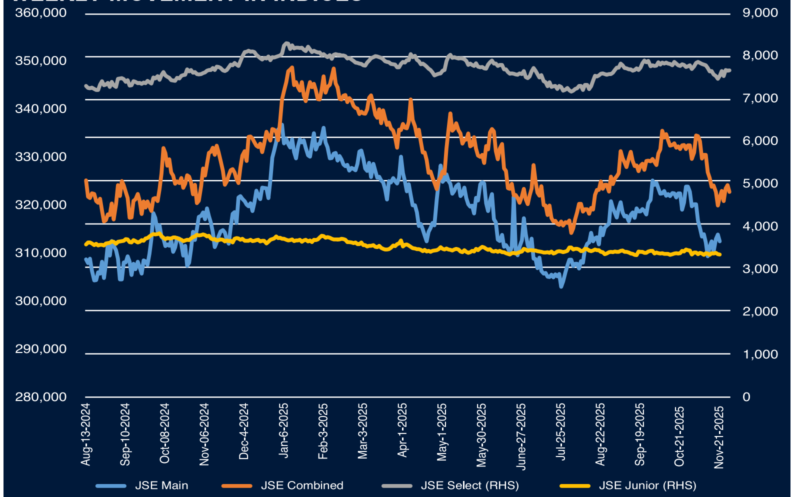
While the BOJ projected low and stable inflation for the next two years in its last Monetary Policy Committee Meeting notes and markets were anticipating further rate cuts before year-end, Hurricane Melissa has blown those expectations out of the water. The category 5 storm caused extensive damages to the agricultural sector, destroying both livestock and produce in some of the major food producing parishes in Western Jamaica. The breadbasket parish of St. Elizabeth alone contributes an estimated 20.0% of the country's agricultural production[2] . This has been a massive supply shock to the agricultural sector, with preliminary losses estimated at over US$29Bn, more than 6 times the losses incurred from Hurricane Beryl[3]. According to the Ministry of Agriculture, Fisheries and Mining, livestock assessments show major disruption, including the loss of approximately 40% of the layer flock. Fisheries have also been

1 Inflation remained on a disinflationary path from May 2024, with the exception of August 2024 which saw it temporarily trending above the upper limit owing to the impact of Hurri

2 St. Elizabeth, together with Clarendon and Manchester are the top three parishes for agricultural output According to Minister of Agriculture, Fisheries and Mining Floyd Green

3 According to the Ministry of Agriculture, Fisheries and Mining, Preliminary Assessments Reveal $29.5B in Agricultural Damage from Hurricane MelissaI JIS

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	322,725.26	0.33%	-7.24%
Main Market Index	312,486.94	0.35%	-6.94%
Select Index	7,660.42	1.77%	-7.54%
Junior Market Index	3,337.50	0.05%	-10.64%

WINNERS & LOSERS FOR THE WEEK ENDED NOVEMBER 21, 2025

	$ Change	% Change
SRFJMD	$1.53	+18.0%
KLE	$0.12	+16.4%
PURITY	-$0.32	-17.3%
AFS	-$3.18	-16.3%

MARKET OVERVIEW

Overall market activity was marked by higher trading values and volumes, with shares valued at $895.82Mn(+118.9%) across 171.16Mn(+91.9%) units changing hands. Of the 124 stocks that traded, 47 advanced, 66 declined, and 11 held firm, indicating broad-based downward pressure as generally bearish investor sentiment persists. Market volume was concentrated, with the top three leaders, ENERGY (40.9%), TJH (11.1%), and SVL (4.2%), collectively accounting for 56.2% of the total units traded, compared to 41.1% the prior week.

Despite most stocks declining, all major indices advanced, reversing some of the losses from the prior week, when eight of nine indices declined. This paradox was a result of narrow market breadth, whereby gains in a few large-cap stocks, namely TransJamaican Highway Ltd., Guardian Holdings Limited (GHL), Caribbean Cement Company (CCC) and Grace Kennedy Limited (GK), buoyed the movements of the indices. The JSE Combined Index rose by 0.3%. The main advancers were the JSE USD Equities Index and the JSE Cross Listed Index, which increased by 2.9% and 2.7% respectively. Although four of the ten stocks in the USD index advanced, TJHUSD was the primary contributor to the overall movement, up 9.2%. While there was no direct news to support this increase, the company recently announced that it is in discussions with the government to recover US$3.8Mn in revenue lost from the 15-day suspension of toll collection to facilitate ease of transportation before and after Hurricane Melissa. Meanwhile, the JSE Cross-Listed Index's performance was predominantly driven by the 8.0% stock price increase in GHL, a movement amplified by its 33.7% market capitalisation weighting. GHL recently coincided with the announcement of a TT$0.23 dividend (record date: November 18, 2025).

severely hit, with 25% of the island's fishing fleet destroyed and 41% of aquaculture farmers reporting damage. Furthermore, early reports indicate near total devastation in key crop lines, including an estimated 90% loss of banana and plantain and significant destruction across vegetables, tubers, particularly yams and fruit trees. For reference, Hurricane Beryl, whose severest impacts were concentrated in St. Elizabeth, resulted in an 11.3% and a 1.1% decline in the Agriculture and Forestry & Fishing industry in Q3 and Q4 of 2024, respectively. With Melissa's impact being more severe in its intensity on impacted parishes, we anticipate a bigger supply-side shock owing to deeper contraction in the sector and a slower recovery because of the impact on livestock and the extent of the devastation. This is already resulting in a sharp spike in domestic produce prices, which is expected to significantly raise food prices, FNB index and be a major contributor to elevated P2P inflation in the ensuing 2 quarters. Overall, it is expected to contribute to a near-term rise in inflation, with the potential for inflation to breach the BOJ's upper limit for the near term.

A potential rise in utility bills could also contribute to an increase in the HWEG index contributing to higher near-term P2P inflation. The immediate costs of restoration and redesign and rebuild in some areas and the resulting potential for a tariff adjustment to recover rebuilding capital could weigh heavily on inflation in the near term. Hurricane Melissa wiped out service to some 550,000 customers of the Jamaica Public Service (JPS) Company. While the recovery has progressed to 70% of customers restored as at November 19, 2025, the hardest-hit western regions remain significantly constrained by the extent of network destruction, which in many instances requires a complete rebuild. As such, full restoration potentially taking up to six months, forcing businesses to rely on costly private generation in the interim. JPS's cost structure, which includes base rates set by the Office of Utilities Regulation (OUR), fuel, Independent Power Producer (IPP) charges and various FX adjustment mechanisms, determines how such shocks filter into electricity bills. Although the OUR permitted an initial drawdown of US$5Mn from the Electricity Disaster Fund (EDF), the extensive network damage, coupled with the government's request to examine grid-undergrounding investments, poses a real risk that JPS will pass on the cost

The combined shocks to agriculture and utilities are expected to push headline inflation back into and potentially above the BOJ's target range in the near term… Even so, the inflation spike is likely to be temporary, with weak aggregate demand, a lower growth outlook and targeted government interventions providing important counterweights to upward price pressures. In essence, Melissa has delayed, not derailed the disinflation story, and the next few quarters will be critical in determining how quickly stability can be restored.

to customers via a tariff adjustment for rebuilding. The OUR has since directed JPS to spread these unavoidable recovery costs over time to prevent "bill shock," a lesson learned from the sharp fuel rate spike following Hurricane Beryl. However, with some customers still off the grid, November's electricity demand is likely to fall, leaving a smaller consumption base over which these costs must be spread. This raises the likelihood of near-term adjustments to the amounts passed through to customers. Jamaica's renewable energy push has also taken a setback. Paradise Park in Westmoreland sustained catastrophic damage and several other renewable producers are awaiting reconnection to the JPS grid. With the island's largest solar facility offline, JPS will have to rely more heavily on alternative fuel sources, which will translate into higher fuel rates for consumers. As such, should the approval for tariff adjustment materialise, it would directly lift the HWEG index and indirectly raise operating costs across manufacturing, retail and services, embedding second-round inflationary effects in the coming months.

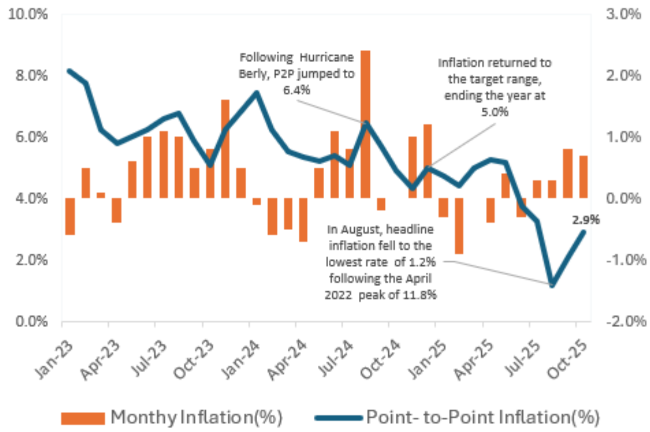
Despite these supply-side pressures, several disinflationary forces on the demand side may mitigate Melissa's impact on near-term inflation. The anticipated 1.5% economic contraction in 2025 (according to Fitch) points to weaker near-term aggregate demand. Additionally, physical destruction, immense uncertainty around recovery plans and disruptions to normal economic activity can lead to lower business confidence and investment outlook. This could lead to subdued demand in sectors such as tourism, hospitality and other related businesses. Further, the Government has taken prompt and decisive actions to prevent price gouging[4] on critical commodity items, which should help to mitigate against excessive increases in food price inflation.

Given its supply-side nature and expectations of subdued demand, Hurricane Melissa's likely P2P inflation shock in the ensuing months is expected to be temporary – even if it breaches the BOJ's target range. The BOJ typically views hurricane related inflation as a temporary supply shock. In fact, the Bank previously signalled that the impact of Hurricane Beryl would trigger a three- to five-month rise in headline inflation, but that the uptick would be transitory. This proved accurate as annual headline inflation spiked to 6.4% in August 2024 but returned to the target range in the following months and ended the year at 5.0% (See figure 1). A similar pattern could unfold following Hurricane Melissa; however, the inflation spike may last longer this time. The agricultural fallout is expected to maintain upward pressure on food prices, with possible spillover into related categories such as 'Restaurants and Accommodation Services' and 'Food and Non-Alcoholic Beverages' indexes. Additionally, increased demand for building materials could push up construction-related costs, placing further upward pressure on the Water, Electricity, Gas and Other Fuels index. Together, these pressures suggest that while the shock is expected to be transitory, the near-term inflation path will likely be bumpier than previously anticipated.

Hurricane Melissa has undeniably reset Jamaica's inflation narrative, reversing months of steady disinflation and re-introducing meaningful upside risks to the outlook. The combined shocks to agriculture and utilities are expected to push headline inflation back into and potentially above the BOJ's target range in the near term, while the extent of crop losses, livestock disruption and electricity network damage points to a slower and more uneven recovery than after Beryl. Even so, the inflation spike is likely to be temporary, with weak aggregate demand, a lower growth outlook and targeted government interventions providing important counterweights to upward price pressures. In essence, Melissa has delayed, not derailed the disinflation story, and the next few quarters will be critical in determining how quickly stability can be restored.

4 According to Prime Minister Holness "There will be zero tolerance for price gouging. The Trade Order sends a clear message that no one should profit from a potential disaster. We are taking every precaution to ensure that preparedness measures are in place and that citizens are not subject to exploitation during this time."

Figure 1: P2P Inflation (Jan 2023 – Oct 2025)



Foreign Exchange Market

For the week ending November 21, 2025, the Jamaican dollar appreciated by 0.6%, with the USD selling rate moving from J$161.62 on November 14, 2025, to J$160.65 on November 21, 2025. The slight week-on-week appreciation was driven by the intervention of the Bank of Jamaica (BOJ) through its B-FXITT auction. During the week, the BOJ intervened in the FX Market thrice, on November 19th, 20th, and 21st, selling a total of US$90Mn to the market to augment market supplies. The total sale amount was, however, below the US$169.25Mn received in total bids, indicating a high level of demand for US dollars relative to what is currently available in the market.

Selling	Close: 11/14/25	Close: 11/21/25	Change
J$/US$1	$161.62	$160.65	($0.97)
J$/CDN$1	$118.05	$117.33	($3.10))
J$/GBP£1	$213.16	$210.75	($2.41)

Global Bond Prices

Last week, markets responded to the delayed labour market data and the growing division within the Federal Reserve (Fed) regarding future interest rate cuts. September economic reports were delayed by seven weeks because the 43-day federal government shutdown forced the Bureau of Labour Statistics (BLS) to furlough essential staff, halting the final processing and publication of the data. The September jobs report showed the U.S. economy added 119,000 jobs, significantly higher than expectations. However, the accompanying data pointed to a cooling trend: the unemployment rate edged up to 4.4%, and hourly wage growth slowed to its weakest pace in three months. This combination of signals that point to a slowing labour market, but a stable overall economy, has further complicated the Federal Open Market Committee (FOMC)'s assessment of the conflicting risks. Statements from Fed officials have been contradictory, with some advocating for further cuts (dovish) while others express caution due to lingering inflation fears (hawkish). This lack of a clear consensus has been a driver of volatility in financial markets currently. For example, following the jobs data, a statement from the New York Fed President John Williams, following the delayed jobs data, signalled support for an additional rate cut in the "near term." This stance transformed the market's outlook, causing the probability of a December rate cut, which was near 50% earlier in the week, to surge to around 70% according to the CME FedWatch data.

The shift in expectations for additional rate cuts sent money rushing into Treasuries, driving the 10-year yield down to 4.06% by week's end from 4.14% at the end of the prior week, overcoming the earlier upward pressures and reflecting the market's decisive preference for the dovish interpretation of the hazy economic landscape. With expectations for a more hawkish Fed, bonds from Latin American and Caribbean issuers saw mostly increasing yields. KinAir, MoAir, TJH, the governments of Jamaica, and the Dominican Republic experienced mostly higher yields as prices fell. However, it is likely that the expected short-term impact of Hurricane Melissa on the economy and the government's fiscal and debt trajectory also played a role in the movement of the Jaman and Jamaica infrastructure(MoAir, THJ and KinAir) bonds.

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Bonds	Currency Rating	Indicative Price	Yield	Recommendation
BAHAMA (6.00%) 2028	BB-/Stable	102.75	5.00%	BUY
BAHAMA (6.63%) 2033	BB-/Stable	100.00	6.62%	BUY
BAHAMA (6.95%) 2029	BB-/Stable	105.45	5.41%	BUY
BAHAMA (8.25%) 2036	BB-/Stable	111.25	6.74%	BUY
BAHAMA (8.95%) 2032	BB-/Stable	113.75	6.44%	BUY
BAHAMA (9.00%) 2029	BB-/Stable	110.50	5.69%	BUY
BARBAD (8.00%) 2035	B+/Stable	107.50	6.91%	BUY
BCRED (6.00%) 2032	BBB-/ Positive	104.00	5.23%	BUY
BEEFBZ (4.88%) 2031	BB/Stable	85.65	7.22%	BUY
BERMUD (4.75%) 2029	A2/Stable	103.75	3.50%	BUY
DOMREP (5.5%) 2029	Ba2/Stable	104.00	4.16%	BUY

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
DOMREP (5.88%) 2035 **(NEW ISSUE)**[5]	Ba2/Stable	102.50	5.54%	**BUY**
DOMREP (6.95%) 2037	BB/Stable	109.25	5.82%	**BUY**
DOMREP (8.63%) 2027	BB/Stable	106.25	3.97%	**BUY**
JAMAN (6.75%) 2028	BB/Stable	105.75	4.22%	**BUY**
LTMCI (7.625%) 2031	BB/Stable	105.75	6.29%	**BUY**
LTMCI (7.88%) 2030	BB/Stable	106.50	6.16%	**BUY**
NFLX (4.875%) 2030	A/Stable	105.00	3.67%	**BUY**
NFLX (5.875%) 2028	A/Stable	107.50	3.20%	**BUY**
NRG (3.88%) 2032	BB+/ Stable	95.25	4.77%	**BUY**
NRG (6%) 2033	BB+/ Stable	104.25	5.28%	**BUY**
NRG (6.25%) 2034	BB+/ Stable	105.00	5.53%	**BUY**
PRIOBZ (6.75%) 2030 **(NEW ISSUE)**[6]	BB-/ Positive	101.00	6.51%	**BUY**
POSWDL (7.88%) 2040	BB/Stable	102.75	7.55%	**BUY**
PYPL (2.85%) 2029	A-/Stable	97.75	3.48%	**BUY**
SFC (5.3%) 2028	BBB/ Stable	101.75	4.54%	**BUY**
TRAJAM (5.75%) 2036	BB/ Positive	95.75	6.29%	**BUY**
BANORT (5.75%) 2031	Baa1/ Negative	101.50	5.45%	**SELL**
NFE (6.5%) 2026	RD	17.50	405.96%	**SELL**
WBD (4.125%) 2029	BB+/ Negative	96.00	5.41%	**SELL**

5 **Issuer**- Government of the Dominican Republic, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**-5.88%, **Coupon Payment**- Semi-annually, **Maturity**- October 28, 2035, **Risk Profile** – Moderate

6 **Issuer**- PRIO Luxembourg S.a.r.l, **Industry**- Energy, **Type**- Senior Unsecured, **Callable**-Yes, Coupon Rate-6.75%, **Coupon Payment**- Semi-annually, **Maturity**- October 15, 2030, **Risk Profile** - Moderate

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
INVTLA (7.5%) 2026	B-/RWN	93.24	23.01%	**SELL**
FRICON (7.7%) 2028	B/RWN	62.25	29.08%	**SELL**

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	103.00	4.53%
	2039	119.60	5.75%
	2045	119.45	6.16%

*NB: The rates quoted above are opening indicative levels on the international market and are subject to change as market conditions vary throughout the trading session. Additionally, the prices quoted to clients of NCB Capital Market Limited (NCBCML) are adjusted to reflect the costs associated with completing the transaction on the respective client's behalf.

Local Corporate Bonds

Name	Maturity	Coupn	Price	Yield
BDHR	2027	8.15%	100.35	8.02%
SJPC	2032	8.85%	103.75	8.18%

Money Market

JMD liquidity, as measured by the aggregated current balances held by Deposit-Taking Institutions (DTIs), rose in the money market last week. As at November 21, 2025, the total aggregate current balance amounted to J$52.13Bn, marking a 13.1% increase .

The yield on the Bank of Jamaica's 30-day Certificate of Deposit continued to decline in last week's auction. The yield, which had reached a year-to-date high of 6.28% in the October 29 auction, closed at 5.93% on November 21, down from 5.95% the prior week. Total bids reached J$52.06Bn against a J$39.00Bn offer, at a bid-to-offer ratio of 1.33x. The next auction is scheduled for November 26, 2025.

Meanwhile, the Government of Jamaica is issuing a J$3.00Bn Fixed Rate Note due March 18, 2040, carrying a fixed 8.25% interest rate with semi-annual payments starting March 18, 2026. The 14-year, 4-month instrument will be priced by competitive auction on November 26, 2025. The funds will be used to finance the Government's budgetary requirements.

Dates to watch this week

International Local

NOVEMBER 2025

MON	TUE	WED	THUR	FRI
24	25	26	27	28
Bank of Jamaica Policy Interest Rate Decision		USD GDP (QoQ) (Q3)		CAD GDP (QoQ) (Q3)

Recommendations

Ticker	Closing Price (November 24, 2025)	P/E	Avg. Sector P/E	Current Recommendation
GK	$73.30	9.3x	9.5x	**BUY**

Regional News

IMF Projects 2026 Economic Acceleration for the Dominican Republic

The International Monetary Fund (IMF) concluded its 2025 Article IV consultation and reported that the Dominican Republic continues to show strong economic fundamentals, manageable risks, and enough policy flexibility to respond to adverse scenarios. While the detailed technical report is still pending approval, the IMF released an official statement outlining the country's current performance and expectations for the coming years. According to the Fund, the Dominican economy slowed toward the end of 2024 and during the first half of 2025 due to rising global uncertainty and tighter international financial conditions. However, recent indicators point to a gradual recovery supported by expansive fiscal and monetary measures. Credit activity, exports, and tourism have strengthened, and inflation remains under control, with an estimated average of 3.7% for 2025.

Looking ahead, the IMF projects economic growth of 4.5% in 2026, bringing the country closer to its long-term trend of around 5%. The current account deficit is expected to stay near 2.5% of GDP and be fully financed by foreign direct investment, underscoring sustained investor confidence. Although external risks continue to outweigh positive factors, driven by global uncertainty, shifts in financial conditions, and vulnerability to natural disasters, the IMF emphasised that the Dominican Republic is in a strong position to handle potential shocks thanks to solid macroeconomic foundations, adequate international reserves, a stable banking system, and room to apply countercyclical policies. That said, the Fund stressed the importance of advancing structural reforms. It encouraged the government to move forward with tax reform aimed at increasing revenue by reducing generalised subsidies while protecting social spending, and to adopt a medium-term revenue strategy as the framework for broader fiscal changes. It also highlighted the need to fully implement the Electricity Pact to reduce sector losses and lower fiscal pressure. Improvements in governance, the labour market, and social security, aligned with the Meta 2036 plan, remain essential, as does increased investment in infrastructure, education, and health to support more inclusive and competitive growth. Finally, the IMF described the Central Bank's monetary policy as appropriate and recommended maintaining exchange rate flexibility, limiting foreign exchange intervention to significant shocks, strengthening the monetary transmission mechanism, and gradually phasing out extraordinary liquidity measures. It also noted that the financial system remains sound with low systemic risks, encouraging continued progress in regulation and supervision, the implementation of Basel II and III standards, and further improvements in anti–money laundering and counter-terrorism financing policies.

Source ~ Dominican Today

U.S. Removes Tariffs on Key T&T Agricultural Exportsa

On November 16, 2025, the Ministry of Foreign and CARICOM Affairs advised that Trinidad and Tobago (T&T) will benefit from zero reciprocal tariffs on several qualifying agricultural products, including critical nitrogen and phosphate fertilisers entering the United States market. This follows the signing of an Executive Order by President Donald Trump on November 14, 2025, modifying the scope of reciprocal tariffs applied under the U.S. tariff regime. The decision reverses the earlier action of April 2, 2025, when these items were removed from Annex II of Executive Order 14257 and subjected to a 15% tariff. T&T will be among the beneficiaries, as the United States (U.S.) will now impose zero tariffs on key nitrogen and phosphate fertilisers, including Anhydrous Ammonia, Urea, and Urea-Ammonium Nitrate (UAN). Currently, T&T maintains a multi-billion-dollar export relationship with the United States, its single largest trading partner for both imports and exports. In 2024, the sovereign exported approximately TT$3Bn in Anhydrous Ammonia, Urea, and UAN to the United States. These products will now enter the U.S. market duty-free, enhancing the competitiveness of its exporters and protecting jobs across the national value chain. The update follows several months of engagement between Trinidad and Tobago and senior US officials. In August, local officials met representatives of the United States Trade Representative's Office and the US Department of Commerce. Further, in September, Prime Minister Kamla Persad-Bissessar and senior government officials visited Washington for discussions with US Secretary of State Marco Rubio, where Trinidad and Tobago's energy and food-security role was raised. Minister of Foreign and CARICOM Affairs Sean Sobers noted that the tariff removal is expected to ease the impact of the earlier increases. He also noted that the Government will continue discussions with the United States to secure further tariff relief and expand market access for energy and non-energy exports.

Sources ~ Ministry of Foreign & CARICOM Affairs and CNC3

International News

Japan's Economy Contracts for First Time in Six Quarters on Tariff Hit

Japan's economy shrank by 1.8% in the three months through September, as a drop in exports in the face of U.S. tariffs resulted in the first contraction in six quarters, government data showed on Monday. Exports constituted the main drag as the impact of higher U.S. tariffs intensified. Automakers saw shipment volume plunge, reversing earlier front-loaded exports ahead of tariff hikes, though they mostly absorbed tariffs by cutting prices. Still, as the overall contraction was not as acute as expected, it likely represents a temporary setback rather than the start of a recession, economists said. Economists generally viewed this quarter's GDP figures as having a marginal impact on the Bank of Japan's thinking when next deciding interest rates versus factors such as inflation. However, an economist close to Prime Minister Sanae Takaichi gave the data more weight. Given the contraction, it "would be misguided for the BOJ to decide to raise interest rates" in December, Credit Agricole chief Japan economist Takuji Aida, who is on Takaichi's flagship panel tasked with laying out the country's growth strategy, said in a report to clients. Housing investment also weighed on growth as tighter energy-efficiency regulations introduced in April slowed commitments. The weak GDP data comes as Takaichi's government compiles a stimulus package to help households manage rising living costs. Advisers to Takaichi have cited a likely sharp GDP contraction as a reason for aggressive stimulus measures. Finance Minister Satsuki Katayama told reporters on Sunday that the proposed economic stimulus would exceed 17 trillion yen ($109.94 billion), media reported.

Source ~ Reuters

US Trade Deficit Narrows Sharply in August

The U.S. trade deficit narrowed more than expected in August as businesses imported fewer goods against the backdrop of higher tariffs, a trend that, if sustained, could be a potential tailwind for economic growth in the third quarter. However, a drop in imported consumer goods to levels last seen early in the COVID-19 pandemic and a decline in capital goods imports could signal slower consumer and business spending last quarter. "The good news for trade and the U.S. economy is the tariffs are working," said Christopher Rupkey, chief economist at FWDBONDS. "The bad news for trade and the U.S. economy is the tariffs are working. Markets and Federal Reserve officials will scramble to find which is true, but maybe both are." The trade gap contracted 23.8% to US$59.6Bn, the Commerce Department's Bureau of Economic Analysis and Census Bureau said on Wednesday, ahead of forecasts done by Economists. The report, which was initially scheduled for release on October 7, was delayed because of the recently ended 43-day shutdown of the government. Overall imports decreased 5.1% to US$340.4Bn with Goods imports tumbling 6.6% to US$264.6Bn. The decline was led by a US$11.3Bn plunge in industrial supplies and materials, mostly reflecting a US$9.3Bn decrease in nonmonetary gold. Capital goods imports slipped US$3.4Bn, with imports of computer accessories decreasing US$1.3Bn while those of telecommunications equipment fell US$1.1Bn. But imports of computers increased US$2.3Bn. Food imports declined by US$1.6Bn. Exports edged up 0.1% to $280.8Bn, reflecting services. Goods exports dropped 0.3% to $179.0Bn, with shipments of consumer products sliding $1.5Bn amid a $1.2Bn decline in pharmaceutical preparations. Exports of industrial supplies and materials, which also include crude oil, eased $0.6Bn. They were pulled down by a $1.1Bn decline in nonmonetary gold. Crude oil exports rose $0.8Bn. Exports of motor vehicles, parts and engines decreased $0.4Bn, but shipments of capital goods increased $2.4Bn to a record $62.4Bn boosted by computers.

Source ~ Reuters

NCB Capital Markets Ltd (formerly Edward Gayle and Co.) established in 1968 is Jamaica's oldest stockbrokerage. The company became a part of the National Commercial Bank (NCB) Group in 1994 and a fully owned subsidiary in October 2002. In December 2002, the then Edward Gayle and Co. 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 was renamed NCB Capital Markets Ltd. in October 2003.