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"If a business does well, the stock eventually follows." — Warren Buffett

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January 20, 2026

2026 Outlook Resilience Realignment and Risks

Policymakers, investors and business leaders are facing a complex macroeconomic landscape in 2026, one shaped by shifting policy regimes, rising geopolitical tensions and increasingly divergent growth paths. The past year presented no shortage of headwinds. Economies grappled with major trade disruptions as the United States (U.S.) imposed a base tariff across all its trading partners, with higher tariffs to protect strategic sectors. At the same time geopolitical tensions intensified, reflected in increased U.S. military presence in Latin America and the Caribbean (LAC) region and rising tensions between the US and China. At the same time, stubborn inflation and more frequent climate-related shocks added to the challenges. Yet, global growth in 2025 once again outperformed expectations, supported by resilient labour markets, diversified supply chains and the early productivity lift stemming from rapid artificial intelligence (AI) adoption. As 2026 unfolds, moderate but steady global growth, easing but uneven inflation, rising geopolitical risk and accelerating AI adoption and productivity shifts are major themes that are expected to shape the global economy. Each carries direct implications for Jamaica's macroeconomic performance, policy choices and outlook.

Moderate Global Growth:

Globally, real GDP growth is projected to remain broadly stable in 2026 amid greater policy uncertainty. Growth should remain broadly steady, reaching 2.6% in 2026, slightly below the 2.7% estimated for 2025 (World Bank). The resilience seen in 2025 was partly driven by an early surge in global trade as firms adjusted ahead of the implementation of U.S. policy changes. These

temporary supports have diminished and in 2026, trade momentum will normalise and consumption will cool following several years of inflation eroding real incomes. In the U.S., real GDP growth is forecasted at 2.2% in 2026, marginally above the 2.1% estimated for 2025¹. The provisions of the One Big Beautiful Bill Act (OBBBA), including some front-loaded fiscal stimulus, are expected to support economic activity during the year. Together with sustained AI-driven infrastructure investment, this has the potential to keep real investment strong. When combined with a more accommodative interest rate environment, these factors should sustain investment despite the lingering effects of higher tariffs. China's growth trajectory looks more subdued. GDP growth is expected to moderate to 4.5% in 2026 from an estimated 4.9% in 2025 as property-sector distress, demographic pressures and weak private demand constrain momentum. Still, China will continue to be a major contributor to global economic growth this year, albeit less than in prior years. Europe's recovery remains modest, with the Eurozone expected to grow by 1.1%² and the United Kingdom (UK) by 1.2%³ in 2026, reflecting the impact of a cooling labour market and muted household spending across the region. However, for the Eurozone, there are encouraging signs in the form of increased investment in digital infrastructure and the green energy transition, which are supporting resilience. That said, the global economic outlook remains clouded by shifting trade and foreign policies and persistent fiscal challenges in major economies.

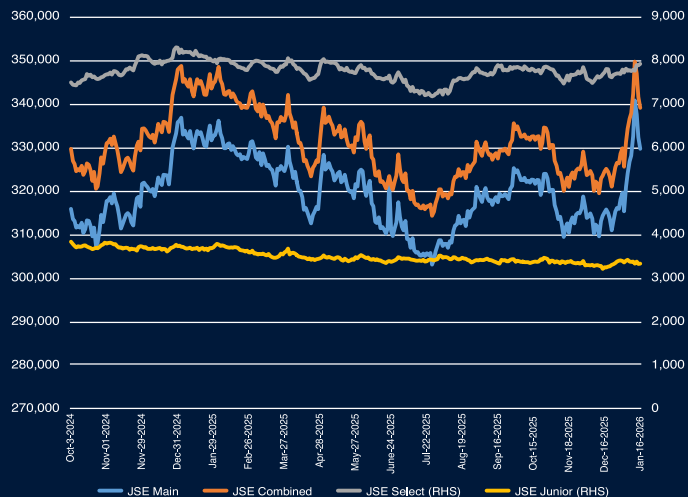
Locally, recovery will be a central economic theme. Real GDP is expected to decline in 2026,

1 World Bank

2 Europe's economic growth to remain modest in 2026 amid persistent headwinds! Source: KPMG

3 10 PwC UK economic predictions for 2026: AI to directly add £2bn to GDP, London house prices will flatline, 8% chance England will win World Cup, and more! Source: PWC UK

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	339,007.64	0.37%	3.22%
Main Market Index	329,631.09	0.49%	3.66%
Select Index	7,908.80	2.12%	3.04%
Junior Market Index	3,319.75	-1.21%	-2.40%

WINNERS & LOSERS FOR THE WEEK ENDED JANUARY 16, 2025

	\$ Change	% Change
FIRSTROCKUSD	\$0.01	50.0%
AHPC	\$0.44	27.7%
ISP	(\$3.48)	-23.2%
LASF	(\$0.31)	-16.5%

MARKET OVERVIEW

The overall local stock market gauge was largely unchanged week-over-week (WoW), as the JSE Combined Index inched up by 0.4% to close at 339.01k points. Despite subdued trading activity, several stocks posted impressive gains, most notably FirstRock Real Estate (USD) (+50.0%) and Atlantic Hardware & Plumbing (AHPC) (+27.7%). Performance across the major indices was mixed. Six of the nine indices advanced, led by gains in the JSE USD Equities (+4.7%) and JSE Select (+2.1%). Meanwhile, the JSE Financial, Junior Market, and Cross Listed indices saw declines of 1.6%, 1.2%, and 1.2%, respectively. The increase in the JSE USD Equities Index was primarily driven by an 18.0% increase in the share price of TransJamaican Highway USD shares (TJHUSD), despite the absence of any supporting news. Similarly, the JSE Select Index was influenced by gains of 8.9% and 6.5% in the share prices of TJH and Carreras, respectively. As with TJH, there was no new information to justify the increase in Carreras' share price. On the flip side, the decline in the JSE Financial Index was driven primarily by declines of 9.8% and 4.7% in the share prices of Pan Jamaica (PJAM) and Scotia Group (SGJ), respectively. Of note, there was no news to support PanJam's price movement; however, SGJ released its audited twelve-month results ending October 2025, which showed a slight 1.3% decline in earnings. The Junior Market recorded most of its losses on the back of sharp share price declines in FosRich (-10.5%), Fesco (-8.6%), and Lasco Financial Limited (-16.5%). Meanwhile, the Cross-Listed Index was weighed down by declines in its two heaviest-weighted constituents, Massy (-1.1%) and Guardian Holdings (-0.5%).

Overall, trading activity declined WoW, as reflected in the sharp decline in total market volume, which decreased by 49.5% to 126.86Mn units and a 32.5% decline in trade value to J\$482.07Bn. TJH Limited led trading activity with 27.56Mn units (21.3%), followed by AHPC with 17.89Mn units (13.8%) and AMG Packaging and Paper Company (AMG) with 13.11Mn units (10.14%).

weighed down by the impacts of Hurricane Melissa, a less favourable trade environment and tepid growth in Jamaica's main trading partners. The economy is expected to contract by 2.3% in 2026 (World Bank), constrained by structural bottlenecks and the extent and speed of reconstruction following Hurricane Melissa. This is a further decline from an estimated 2.0% contraction in 2025 (S&P). However, the recovery will be supported by stronger-than-expected tourism inflows, as evidenced by the increase in winter arrivals thus far⁴ and by reconstruction efforts that are expected to spur growth in the construction sector. Reconstruction activity and the need to build resilience against future shocks should drive targeted corporate investments, and remittances should help cushion household incomes as diaspora-driven transfers have risen following the hurricane. In tourism, roughly 70% of hotel operators are already back in operation, and all major cruise ports and airports have reopened. Close to 80% of hotel capacity is expected to be restored by the end of January 2026. However, local growth will be constrained as higher inflation and unemployment, given the weather-related shock will also erode real incomes and weigh on consumer demand. A pause in monetary easing in light of inflationary pressures will keep borrowing costs elevated, removing the interest rate stimulus that was anticipated to support growth. This may temper households' ability to borrow and finance consumption and reduce firms' appetite for new investment, weighing on both private consumption and investments.

Easing Global Inflation, but Uneven

Progress: Globally, prices are expected to continue easing throughout the year, with some economies, most notably the Eurozone and the UK, moving toward or even reaching their central bank targets. Inflation is expected to continue declining in 2026, with headline inflation easing from an estimated 3.4% in 2025 to 3.1% in 2026. The disinflationary trend reflects lower energy and food prices, more stable exchange rates and moderating wage growth. Well-anchored inflation expectations and softening global demand have also contributed to the decline. Consumer spending is expected to slow but remain positive, supporting further easing. This backdrop allows for gradual monetary easing in certain economies, but the pace of descent will be uneven. Aggressive rate cuts

Lower economic growth and a weaker labour market could dampen consumer confidence and, by extension, private consumption... Still, the economy's strong institutional foundations, credible policy framework and the resilience of key sectors, including tourism and remittances, provide buffers against external shocks.

from the U.S. Federal Reserve (Fed) appear unlikely given resilient consumption, which is expected to average 2.6% in 2025 and ease to 1.7% in 2026 (Fitch) and a still-tight labour market. The IMF expects U.S. inflation to fall to 2.4% in 2026, closer to but still above the Fed's target. While the Fed will be keeping a close eye on the labour market, markets are pencilling two rate cuts in 2026. Similarly, inflation is also expected to moderate in the Eurozone and the UK. It is forecast to average around 1.9% below the European Central Bank (ECB) target in 2026 from 2.1% in 2025 due to fading cost pressures and the impact of the ECB's monetary policy⁵. UK inflation is expected to average 2.1% in 2026, which is down from 3.2% in the November 2025 forecast due to similar factors⁶.

For Jamaica, imported inflation should ease, but inflation dynamics are anticipated to diverge in the near term due to the effects of Hurricane Melissa, before re-convergence later in the year. Headline inflation stood at 4.5% in December 2025, but the Bank of Jamaica (BOJ) expects it to temporarily breach the 4%–6% target range in early 2026 due to agricultural disruption, energy constraints and reconstruction-driven demand. While the BOJ notes that these pressures are largely outside the influence of monetary policy, the outlook remains finely balanced. On one hand, government-facilitated imports of key agricultural goods and the gradual normalisation of domestic production should moderate the impact of

reduced domestic supplies on prices as the year progresses. On the other hand, higher electricity rates, increased demand for reconstruction services and rising inflation expectations present persistent upside risks. As a result, the BOJ is expected to maintain a cautious stance, keeping policy rates at 5.75% through most of 2026 to prevent second-round effects, while supporting the broader economic recovery. Our base case scenario is for the BOJ to resume cutting rates early in the September quarter as inflation moderates. Under this scenario, there could be a quarter basis points reduction to the policy rate to 5.50%⁷ by end 2026.

Geopolitical Risks Remain Elevated:

Geopolitical tensions remain the biggest wildcard for the global economy this year. Increasing geopolitical risks could weigh on global economic growth. Uncertainty exists in the volatile mix of entrenched conflicts in Europe and the Middle East, alongside rising friction between China and Taiwan, which is increasing global instability. Further, the risks are being amplified by the more assertive, unilateral U.S. foreign policy and intensifying systemic competition between Washington and Beijing. These 'great power' rivalries are creating a climate that could lead to sustained volatility that complicates long-term investment and cross-border trade. For its part, the U.S. remains a central source of volatility given its recent military intervention in Venezuela, renewed push for dominance in the LAC region to curb Chinese influence and coercive tactics toward allies in the North Atlantic Treaty Organisation (NATO), given its increasingly aggressive thrust to annex Greenland. Furthermore, the administration's proposed 'Board of Peace', ostensibly an alternative to the United Nations, threatens to upend long-standing foreign policy and alliances. Ultimately, these developments are reshaping the global foreign policy, weakening longstanding multilateral and bilateral relationships and elevating US national security priorities in trade and foreign policy. The result is a more fragmented system in which bilateral bargaining, political alignment and strategic competition increasingly determine the terms of global commerce, raising uncertainty for cross-border investment and long-term economic planning.

⁴ In the first two weeks of the current winter tourist season, arrivals reached 45,000 stopover visitors and 65,000 cruise passengers, helping the country achieve 94 per cent of its target arrivals for calendar year 2025

⁵ European Central Bank (ECB) Economic Bulletin, December 2025.

⁶ Office for Budget Responsibility (OBR) Economic and Fiscal Outlook, November 2025; Bank of England Monetary Policy Report, November 2025

⁷ Jamaica Monetary Policy, Inflation and Exchange Rate | Source: BMI, a Fitch Solutions Company

Locally, geopolitical spillovers could materialise through multiple channels, including fuel prices, travel sentiment and demand for tourism, remittance flows, financial conditions, foreign direct investment and supply chain disruptions. Elevated energy prices and commodity volatility pose direct inflation risks due to Jamaica's reliance on imported fuel and food. On the demand side, weaker global growth or any deterioration in sentiment, particularly in the U.S., Canada and Europe, could soften tourism arrivals and goods exports, amplifying the domestic slowdown. Remittance inflows, a key household buffer and consumption driver, may also be vulnerable if U.S. economic sentiment deteriorates under more restrictive trade and immigration policies. These forces could widen the current account deficit and weigh on foreign direct and domestic private investment. Washington's aggressive military and diplomatic posture may shift expectations on security, trade and foreign investment. At the same time, China remains an important infrastructure and financing partner across the Caribbean, leaving regional governments, including Jamaica, increasingly exposed to the great-power rivalry.

AI - a Structural Driver of Global and Local

Transformation: Artificial intelligence (AI) will continue to reshape the global economy in 2026, driving productivity, innovation and growth. In 2026, AI is set to remain a major driver of global economic transformation, building on the rapid momentum seen in 2025. Worldwide AI spending rose to about US\$1.5Tn and is projected to reach US\$2.0Tn by 2026¹. Generative AI, in particular, is already delivering measurable time savings and narrowing skill gaps by automating routine tasks while augmenting higher-value work, enabling companies to innovate even amid fiscal risks and weaker earnings. For advanced economies, AI is supporting investment cycles even in the face of fiscal tightening and moderate earnings growth. The surge in demand for data centres, semiconductors, cloud infrastructure and AI-enabled enterprise software is reshaping industrial policy and capital allocation. Nations such as the U.S., China and India are scaling national AI investments to boost productivity to secure supply-chain advantages, strengthen industrial and investment competitiveness and cement themselves as technological leaders in emerging industries.

On the domestic front, AI offers the potential for productivity benefits across many sectors, including Business Process Outsourcing (BPO), tourism services, logistics and financial services, though adoption depends on skills, infrastructure and policy. The economy's longstanding productivity challenges within services, public administration, logistics and manufacturing could be partially addressed through strategic AI adoption. Benefits include cost reductions, faster research and data processing, improved manufacturing quality control, enhanced service personalisation and more efficient

coordinated public-private investment in digital infrastructure, workforce training and regulatory frameworks addressing data governance and privacy. As larger economies advance rapidly, Jamaica's ability to collaborate across government, industry and academia to increase AI adoption will be critical to ensuring the country does not fall behind and extract meaningful benefits from AI to help drive sustainable growth.

Overall, 2026 is shaping up to be a year of macroeconomic adjustment. Global growth is expected to moderate but remain resilient, inflation is easing but will be uneven, geopolitical tensions will increasingly shape trade and foreign policy and AI is becoming a measurable driver of productivity gains rather than a purely speculative trend. For Jamaica, the key themes emerging for 2026 are set to create both challenges and opportunities for local consumers and investors alike. Lower economic growth and a weaker labour market could dampen consumer confidence and, by extension, private consumption. Additionally, a pause in monetary policy easing and the still high borrowing costs will generally hinder favourable financial conditions and weigh on domestic demand. Still, the economy's strong institutional foundations, credible policy framework and the resilience of key sectors, including tourism and remittances, provide buffers against external shocks.

¹ AI spending rose to about US\$1.5 trillion and is projected to reach US\$2.0 trillion by 2026. | Source: Gartner

Foreign Exchange Market

For the week ending January 16, 2026, the Jamaican dollar appreciated by 0.21%, with US\$1 moving from J\$158.63 on January 9, 2026, to J\$158.30 on January 16, 2026. This exchange rate represents the lowest weighted-average selling rate recorded since April 2025. The appreciation was largely driven by residual effects of the Bank of Jamaica's (BOJ's) BFXITT interventions last week, alongside market expectations of further intervention in the coming week (Jan. 22nd and 23rd, as previously noted by the BOJ). Additionally, as the exchange rate has continued to appreciate on a week-over-week basis, demand has moderated slightly. End users are increasingly anticipating a further decline in the JMD toward the \$157 level and are therefore postponing bulk USD purchases. At the same time, USD holders have seen the appreciating JMD erode the value of their positions and have responded by selling portions of their USD holdings, thereby increasing overall USD supply in the foreign exchange market.

Selling	Close: 09/01/2025	Close: 16/01/2025	Change
J\$/US\$1	\$158.63	\$158.31	(\$0.32)
J\$/CDN\$1	\$114.35	\$114.30	(\$0.05)
J\$/GBP£1	\$212.72	\$211.58	(\$1.14)

Global Bond Prices

Last week was a significant one for global markets as investors navigated political headlines and critical inflation data. The United States (U.S.) Department of Justice opened a criminal investigation into Federal Reserve (Fed) Chair Jerome Powell over the cost of the renovations of its D.C headquarters. The development pushed U.S. Treasury yields higher, reflecting market sensitivity to potential political encroachment on the Fed's operational autonomy. Analysts, however, have noted that the risk of a leadership change materially undermining policy independence is limited, given that the Federal Open Market Committee (FOMC) operates by consensus rather than unilateral decision-making. Furthermore, several FOMC participants have reaffirmed their commitment to institutional independence. Nevertheless, the investigations into Lisa Cook and Jerome Powell highlight an increasingly tense relationship between the U.S. administration and the Fed, which could weaken the nomination and confirmation process of future Fed officials. That said, the primary focus of the week was the release of the December Consumer Price Index (CPI). While headline CPI appeared firmer due to rising food prices, core inflation (excluding food and energy) was softer than anticipated, rising just 0.2% month-over-month. This brought the year-over-year core rate down to 2.6%. In the labour market, investors continued to digest weekly data, which signalled ongoing resilience. Initial jobless claims fell to 198,000, well below the expected 215,000. Continuing claims also edged lower to 1.88Mn from 1.90Mn, suggesting that fewer U.S. citizens are remaining unemployed for longer. As such, without a material deceleration in inflation or a notable weakening in employment, the case for further policy changes remains weak.

Furthermore, after the Fed's most recent rate cut in December, Fed Chair Jerome Powell suggested the central bank may be cautious about further rate reductions. Consequently, the Fed is likely to stay on hold at its January 28th FOMC meeting, with markets' attention shifting towards a cut in the later part of the year. According to the CME FedWatch Tool as of January 16, 2026, the probability of the Fed holding rates steady at its January 28 meeting remains high (95.6%), as policymakers weigh these robust labour signals against "sticky" inflation concerns.

With expectations for rate cuts diminishing relative to 2025, Treasury demand softened, sending prices lower and yields higher. Against this backdrop, U.S. Treasury yields remained elevated relative to the start of the year (4.16%), with the 10-year Treasury yield closing the week at 4.23%, up from 4.17% in the prior week. The performance of Emerging market bond yields was mixed: Jamaican (JAMAN), Barbados, Bahamas, and Bermuda bonds recorded declines across most maturities, while Dominican Republic (DOMREP) bonds experienced predominantly rising yields. While short-term bond yields for Trinidad & Tobago saw a decline, yields on longer-dated bonds experienced an upward movement.

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
Amazon (4.65%) 2035 (NEW) ⁸	AA-/Stable	101.75	4.43%	BUY
Bahamas (6.00%) 2028	BB-/Stable	102.75	4.94%	BUY
Bahamas (6.63%) 2033	BB-/Stable	100.25	6.58%	BUY
Bahamas (6.95%) 2029	BB-/Stable	105.50	5.34%	BUY
Bahamas (8.25%) 2036	BB-/Stable	115.25	6.24%	BUY
Bahamas (8.95%) 2032	BB-/Stable	116.00	6.02%	BUY
Bahamas (9.00%) 2029	BB-/Stable	111.50	5.26%	BUY
Barbados (8.00%) 2035	B+/Stable	109.00	6.70%	BUY
Blackstone (6.00%) 2032	BBB-/Positive	103.50	5.31%	BUY
Minerva (4.38%) 2031	BB/Stable	85.65	7.22%	BUY
Bermuda (4.75%) 2029	A2/Stable	104.25	3.28%	BUY
BLOCK (6.00%) 2033 (NEW) ⁹	BBB-/Positive	105.25	5.15%	BUY
DOMREP (5.5%) 2029	BB/Stable	104.00	4.10%	BUY

⁸ Issuer- Amazon Inc Industry-Retailers, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 4.65%, Coupon Payment- Semi-annually, Maturity - November 20, 2035, Risk Profile - Conservative

⁹ Issuer- Block Inc Industry-Technology, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 6.00%, Coupon Payment- Semi-annually, Maturity - August 15, 2033, Risk Profile - Moderate

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
DOMREP (5.88%) 2035 (NEW ISSUE)¹⁰	BB/Stable	102.00	5.60%	BUY
DOMREP (6.95%) 2037	BB/Stable	109.25	5.81%	BUY
DOMREP (8.63%) 2027	BB/Stable	106.00	3.63%	BUY
General Motors (5.4%) 2029	Baa2/ Stable	106.00	3.66%	BUY
Goldman Sachs Private Credit (5.875%) 2031 (NEW)¹¹	BBB-/ Stable	102.75	5.24%	BUY
JAMAN (6.75%) 2028	BB/Stable	105.75	4.06%	BUY
KINGAIR (6.75%) 2036	Ba3/ Negative	105.00	6.11%	BUY
Latam Airlines (7.625%) 2031	BB/Stable	108.50	5.63%	BUY
Latam Airlines (7.88%) 2030	BB/Stable	108.00	5.71%	BUY
Marex (6.404%) 2029	BBB-/ Positive	106.50	4.51%	BUY
NCBFG (11.0%) 2030	B+/ Negative	104.81	9.66%	-
NRG (3.88%) 2032	BB+/ Stable	96.25	4.59%	BUY
NRG (6.00%) 2033	BB+/ Stable	104.50	5.23%	BUY
NRG (6.25%) 2034	BB+/ Stable	105.00	5.52%	BUY
Petro Rio (6.75%) 2030	BB-/ Positive	100.50	6.62%	BUY
TRANSJAM (5.75%) 2036	BB/ Positive	97.00	6.13%	BUY
BANORT (5.75%) 2031	Baa2/ Negative	101.75	5.39%	SELL
FRICON (7.7%) 2028	B/Stable	54.75	37.10%	SELL
NFE (6.5%) 2026	CCC-/ RWN	9.00	1035.00%	SELL
Warner Bros. (4.125%) 2029	BB+/ Negative	96.00	5.46%	SELL

¹⁰ **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**

¹¹ **Issuer**- Goldman Sachs Private Credit Corp., **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 5.88%, **Coupon Payment**- Semi-annually, **Maturity** - January 31, 2031, **Risk Profile** - **Moderate**

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	102.95	4.31%
	2036	116.00	6.33%
	2039	120.95	5.60%
	2045	121.00	6.03%

*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 (NCBCLM) are adjusted to reflect the costs associated with completing the transaction on the respective client's behalf.

Local Corporate Bonds

Name	Maturity	Coupon	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), increased in the money market last week. As at January 16, 2026, the total aggregate current balance amounted to J\$77.72Bn, marking a 22.9% increase.

The yield on the Bank of Jamaica's 30-day Certificate of Deposit declined modestly in the second auction of the new year. The average yield for successfully allocated bids was at 5.89% on January 14, 2026, down from 5.98% the prior week. Total bids reached J\$51.27Bn against a J\$26.00Bn offer size, amounting to a bid-to-offer ratio of 1.97x, which is higher than the 1.30x from the previous week and was due to a 44.6% decline in the offer amount. The highest bid rate for full allocation was 7.49%. The next auction is scheduled for January 21, 2026.

Additionally, the BOJ conducted a 14-day Repurchase Operation with deposit-taking institutions in the amount of J\$2.50Bn. The total value of bids received was \$2.75Bn, implying a 1.1x bid-offer ratio. The weighted average yield was 6.11%, 13bps lower than the 6.24% in the previous auction. The next auction for 14- day repurchases is scheduled for January 19, 2026.

Dates to watch this week

■ International ■ Local

January 2026				
MON	TUE	WED	THUR	FRI
19	20	21	22	23
	HONBUN Dividend Payment (\$0.02) Massy Dividend Payment (TT\$0.0354)	SGJ Dividend Payment (\$0.45)	WISYNCO Annual / Extra-Ordinary General Meeting	JP Dividend Payment (\$0.30)
CAD CPI (Dec)	GBP Unemployment Rate (Nov)	GBP CPI (Dec) GBP PPI (Dec)	GBP GDP (QoQ) (Q3) USD PCE Price index (YoY) (Nov)	

Recommendations

JSE Ticker	Closing Price (January 20, 2026)	P/E	Avg. Sector P/E	Current Recommendation
GK	\$71.58	9.0x	9.4x	BUY
CCC	\$106.43	15.4x	14.4x	BUY
FTNA	\$7.73	16.8x	15.7x	HOLD

Unit Trusts

FUND	Fund Composition	Prices/NAV\$	12 Month Growth Rate	YTD Growth Rate	(Estimated Yearly Income)
		NAV †			
*AS AT January 16 2026					
NCB Capital Markets Limited (NCB CAPFUNDS)					
O Money Market Fund (M Fund)	F	16.3368	6.09%	0.46%	4.88%
O Income Optimizer Fund (iO Fund) ◊	F	15.2959	6.15%	-0.71%	3.87%
☆ Caribbean Equity Fund (E Fund) †	E	25.6817	-10.60%	-3.18%	8.64%
◊ Real Estate Fund (rE Fund) †	R, F	16.9636	17.95%	0.08%	2.56%
O USD Money Market Fund (xM Fund)	F	1.2361	3.63%	0.11%	2.51%
O USD Bond Fund (xB Fund)	F	1.3439	1.11%	0.16%	3.34%

KEY

- O - Tax Free (special conditions apply)
- ☆ - Tax Free
- † - Sales commission/front end fee of up to 2% will apply.
- ◊ - Non-Diversified Unit Trust Scheme
- F, E, R - Fixed Income, Equity, Real Estate

Regional News

Mexico Economy to Stay On Slow Track In 2026 Amid Trade Deal Uncertainty

Mexico's economy will stay on a slow track this year amid high uncertainty over the future of the country's trade deal with the United States and Canada (USMCA), a Reuters poll among economists found. Risks to economic growth are tilted to the downside due to concerns about U.S. President Donald Trump's lack of support for the existing agreement that is set for review by a July 1 deadline, analysts said. At the same time, Mexico's inflation outlook is worsening as tax and tariff hikes kick in at the start of 2026, leading the central bank to tighten its forward guidance earlier this month. Gross Domestic Product (GDP) in Latin America's No.2 economy after Brazil is set to grow just 1.3% this year and 1.9% in 2027, according to the median forecast of 29 economists polled January 12-16. Still, that is better than the modest 0.4% growth expected in the year just ended as a result of relatively steep interest rates, fiscal consolidation and worries related to U.S. tariffs. Preliminary GDP data for 2025 are due on January 30. "The downside bias in the balance of risks to economic growth in 2026 remains. In particular... a tougher-than-expected trade agreement negotiation," said Alejandro Saldaña, chief economist at Ve por Mas. Of a total of 12 respondents to an additional question on risks to GDP growth forecasts, eight said they leaned toward weaker expansion, while four viewed a possible better-than-expected outcome. Among the latter, Alberto Ramos, Goldman Sachs head of Latin America economic research, said: "The risk is probably slightly skewed to the upside in part because we have a positive view of the U.S. economy. "If Mexico's access to the U.S. market becomes more difficult or more onerous (from the USMCA review), we will revisit our macro outlook," he added. This could include stricter rules of origin that trouble automakers as well as more scrutiny on trade flows between Mexico and China to deal with fears of import triangulation from the Asian nation. Meanwhile, headline consumer prices in Mexico are likely to rise 3.8% throughout 2026 on average 12-month terms, matching last year's average 3.8% rate, the survey showed. In 2027, inflation is seen inching down to 3.7%. "Inflation could be higher than forecast if some of the shocks expected at the start of the year prove to be less transitory than anticipated," said Saldaña at Ve por Mas. Mexico's central bank will likely keep its benchmark rate unchanged at 7.00% in the first quarter of 2026 and then cut it by 50 basis points in the next one, leaving it at 6.50% for the foreseeable future, the poll showed.

Source ~ Reuters

Guyana's Next Development Targeting Close to One Billion Barrels of Oil

Guyana is preparing for its next major step in offshore oil production with the Uaru development, ExxonMobil's upcoming

project in the Stabroek Block. Rather than opening a new frontier, Uaru deepens production in an already proven basin. The project is built around scale. More than 800 million barrels of recoverable oil are targeted, with an initial production target set at 250,000 barrels per day. Once production begins, Guyana's national capacity is expected to move decisively past one million barrels per day. The development will use up to 10 drill centres tied to 44 wells, designed to sustain high output over the life of the field. At the centre of operations, there will be a new floating production, storage and offloading (FPSO) vessel. Japanese contractor MODEC is constructing the Errea Wittu FPSO, which will process and store crude produced from the Uaru field. The vessel introduces design changes that align with Guyana's push for lower-emissions offshore production. Guyana's Uaru and Whiptail projects are on track for a 2026 to 2027 start-up. Uaru will have two key upgrades. Power generation will come from a combined-cycle gas turbine, improving fuel efficiency and reducing greenhouse gas emissions. A closed-loop flare system will also be installed to limit flaring during routine operations. The project is operated by ExxonMobil, which holds a 45% interest in the Stabroek Block. Meanwhile, Co-venturers Hess and CNOOC hold 30% and 25%, respectively.

Source ~ OilNow Guyana

International News

Inflation in Canada Accelerates To 2.4% In December, But Key Measures Ease

Consumer prices in Canada rose at a faster-than-expected pace of 2.4% in December, largely due to the base-year effect from last year's sales tax break, but closely-watched core measures of inflation cooled for the third consecutive month, data showed on Monday.

On a monthly basis, the consumer price index declined by 0.2%, Statistics Canada data showed. The monthly decline was less than market expectations of a 0.3% decrease. The Canadian central bank's preferred measures of core inflation, CPI-median and CPI-trim, continued to ease and were the lowest since December 2024. CPI-median - or the value at the middle of the set of price changes in a month - cooled to 2.5% from 2.8% in November, while CPI-trim - which excludes the most extreme price changes - decreased to 2.7% from 2.9%. The deceleration in core prices should keep the Bank of Canada at ease after the Bank held its key policy rate steady at 2.25% in December, and said this was about the right level to keep inflation close to its 2% target. Money markets expect rates to stay on hold in 2026. The rise in headline inflation in December was driven by a temporary sales tax break on certain food and children's items authorised by the previous Liberal government headed by Justin Trudeau in the comparative December 2024 period. Restaurant prices, one of the segments affected by the tax holiday, were the

largest contributor to the acceleration in the annual inflation rate in December 2025. Moderating the acceleration in the annual rate was a year-over-year decline in gasoline prices, which fell 13.8% in December after a 7.8% decline in November. Grocery prices, while unchanged month-over-month, rose 5% annually. Excluding volatile food and energy, inflation rose 2.5% in the month. The services price inflation rate in December accelerated to 3.3% from 2.8% in November, while goods prices rose by 1.2% after 1.5% in the previous month. On an annual average basis, prices increased 2.1% last year, following a 2.4% rise in 2024.

Source ~Reuters

World Markets Jolted, Dollar Dips as Trump Vows Tariffs On Europe Over Greenland

Global markets are facing volatility after President Donald Trump vowed to slap tariffs on eight European nations until the U.S. is allowed to buy Greenland, injecting fresh trade uncertainty as stocks slid and the dollar broadly weakened. Trump said he would impose an additional 10% import tariff from February 1 on goods from Denmark, Norway, Sweden, France, Germany, the Netherlands, Finland, and Britain, which will rise to 25% on June 1 if no deal is reached. Major European Union states decried the tariff threats over Greenland as blackmail on Sunday. France proposed responding with a range of previously untested economic countermeasures. The euro firmed 0.26% to \$1.1628 after it initially dropped to its lowest since November as investors sold off the dollar broadly, lifting other major rival currencies. Trump's sweeping "Liberation Day" tariffs in April 2025 sent shockwaves through markets. Investors then largely looked past U.S. trade threats in the second half of the year, viewing them as noise and responding with relief as Trump made deals with Britain, the EU and others. While that lull might be over, market moves on Monday could be dampened by the experience that investor sentiment had been more resilient than expected in 2025, and global economic growth stayed on track. U.S. markets are closed on Monday for Martin Luther King Jr. Day, which means a delayed reaction on Wall Street. U.S. stock futures were 0.7% lower in early Asian hours. The cash Treasury market was shut, but 10-year futures firmed 1 tick. The implications for the dollar were less clear, although the greenback was broadly lower on Monday. It remains a haven, but could also feel the impact of Washington being at the centre of geopolitical ruptures, as it did last April. The dollar weakness lifted the safe-haven yen and Swiss Franc. Bitcoin, a liquid proxy for risk, fell nearly 3% to \$92,602.64. "While you would argue that the tariffs threaten Europe, in fact, it's actually the dollar that is bearing the brunt of it, because I think markets are pricing in increased political risk premia on the U.S. dollar," said Khoon Goh, head of Asia research at ANZ. Capital Economics said the countries most exposed to increased U.S. tariffs were the UK and Germany, estimating that a 10% tariff could reduce gross domestic product in those economies by around 0.1%, while a

25% tariff could knock 0.2%–0.3% off of output.

Source ~ Reuters

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