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THIS ISSUE

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"In the business world, the rearview mirror is always clearer than the windshield." — Warren Buffett

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

Raju Gunnings, FMVA
Senior Research Analyst
✉ Gunningsr@jncb.com

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

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

Jamie Muir, FMVA
Research Analyst
✉ Muirja@jncb.com

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

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When Familiarity Becomes a Financial Risk

Benjamin Graham, widely recognised as the father of value investing, once said, “The investor’s chief problem and even his worst enemy is likely to be himself.” But this challenge often doesn’t show up as reckless risk-taking, but rather in something far more subtle - our tendency to feel safest with what we know. The biggest risks in investing are rarely the ones you don’t know; they’re the ones you think you do. Familiarity has a way of lowering an investor’s guard. In everyday life, it works well; people gravitate toward what they recognise, trust the brands’ they see often, and lean on what feels close to home. In investing, however, that same instinct can quietly distort judgment. While investing only in businesses you know well is not inherently flawed, it can be if it is not supported by fundamental analysis. Moreover, it can leave you missing out on opportunities you might otherwise never have heard of. This week, we explore the causes and risks of the bias created by familiarity and offer remedies that counteract it.

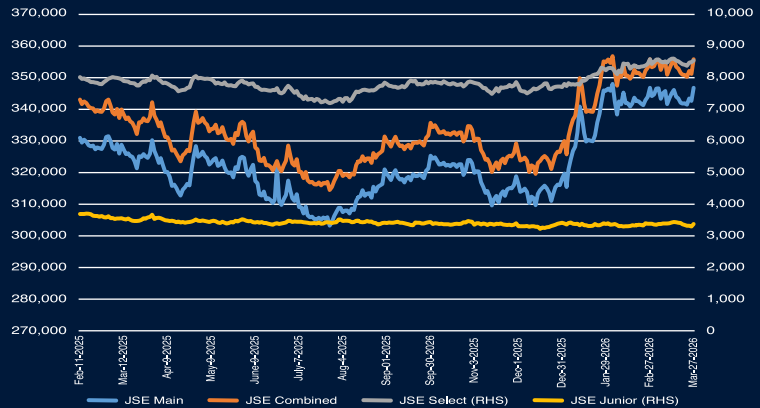
The old Wall Street adage “Invest in what you know” is often misunderstood. It does not encourage blind loyalty to known names but rather promotes investing in businesses where an investor has a genuine understanding of how they operate. When applied correctly, this approach can be a powerful advantage, because investing in what you truly know can help investors better interpret financial results, assess risks and identify early signs of change within an industry. Investing in what you know can also improve decision-making by allowing investors to focus on businesses they understand well. Being abreast with a company’s products, customer base, and competitive environment can provide useful context when analysing earnings, margins, and growth prospects. It can also help investors distinguish

between short-term noise and meaningful shifts in performance. Additionally, this approach can increase confidence and discipline, because investors who understand a business are often better positioned to remain patient during periods of volatility, rather than reacting impulsively to market swings. In this sense, familiarity, when combined with proper fundamental analysis, can support more informed, objective and consistent investment decisions.

However, investing in what you know can easily shift from an advantage to a bias known as familiarity bias. At its core, this bias reflects our tendency to favour investments simply because they are familiar, whether through geography, brand recognition or repeated exposure, while avoiding the unknown. This bias is driven by psychological comfort, the illusion of informational advantage, and the frequency with which certain companies or issuers appear in everyday life. While being knowledgeable about an asset can enhance understanding, it can also create a false sense of security that undermines objective investment analysis. Many successful investors advocate for investing in businesses that operate in familiar industries or territories, as it facilitates a deeper understanding of their products, demand dynamics and operational risks. However, what begins as informed comfort can evolve into complacency, where investors remain anchored to known names despite weakening fundamentals or changing conditions. Investors begin to assume they understand a business because they interact with it, rather than because they have analysed it and understand its financial performance and competitive environment.

The false sense of security caused by this bias has significant

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	355,681.02	1.38%	8.29%
Main Market Index	346,738.50	1.47%	9.04%
Select Index	8,532.44	1.42%	11.16%
Junior Market Index	3,363.46	0.18%	-1.12%

WINNERS & LOSERS FOR THE WEEK ENDED MARCH 27, 2026

	\$ Change	% Change
ISP	+\$2.16	+20.91%
TROPICAL	+\$0.26	+18.57%
CABROKERS	-\$0.38	-19.49%
CAC	-\$0.32	-16.93%

MARKET OVERVIEW

Last week, trading activity on the Jamaica Stock Exchange (JSE) softened, with both market volume and market value traded declining when compared to the prior week. Total market volume fell 39.1% week-over-week (WoW) to 136.89Mn units, while the value of shares traded declined more sharply by 47.5% to J\$791.57Mn. Despite this pullback in activity, underlying market sentiment strengthened marginally, as advancing stocks outpaced losers. Of the 125 stocks that traded, 57 advanced, 56 declined and 12 held firm. Trading activity was less concentrated, with the top three volume leaders accounting for 37.1% of total market volume, down from 60.6% in the previous week. Leading the market were TransJamaican Highway Limited (TJH) with 21.35Mn units (15.30%), Woodcats International Limited (WOODCATS) with 18.74Mn units (13.42%) and Sagicor Select Funds Limited – Financial (SELECTF) with 11.69Mn units (8.37%).

Notwithstanding weaker trading activity, the market ended higher, with seven of the nine indices advancing, effectively reversing the prior week’s declines. Gains were led by the JSE Financial Index (+2.2%) and the JSE All Jamaican Composite Index (+1.9%), while the main decliners were the JSE USD Equities Index (-2.9%) and the JSE Cross Listed Index (-0.9%). Gains in the Financial Index were driven primarily by appreciation in Pan Jamaica Group Limited (PJAM: +8.2%), NCB Financial Group Limited (NCBFG: +3.4%) and Sagicor Group Jamaica Limited (SJ: +2.4%). The upward movement in PJAM alongside SJ likely reflects improving investor sentiment following the announcement of a proposed multi-billion-dollar merger of SJ with Sagicor Life Inc. (SLI), alongside plans to raise new equity for the merger. Similarly, advances in Seprod Limited (SEP: +11.0%) and appreciation in PJAM were the major drivers in the Composite Index. On the downside, the decline in the JSE USD Equities Index was largely driven by a sharp pullback in Productive Business Solution’s (PBS: -15.7%), to a lesser extent, TransJamaican Highway Limited (USD) (TJHUSD: -1.5%). Similarly, the share price declines in Guardian Holdings Limited (GHL: -0.7%) and Massy Holdings Ltd (MASSY: -1.1%) weighed on the JSE Cross Listed Index, with no company-specific development emerging this week to justify the bearish price action.

1 Nokia and BlackBerry dominated the early mobile market but collapsed by failing to adapt to the touchscreen, app-driven smartphone revolution sparked by the 2007 iPhone launch. Nokia lost its edge by sticking with its dated Symbian OS, later partnering unsuccessfully with Windows, while BlackBerry clung to physical keyboards and underestimated consumer trends.

downside risks and missed opportunities. Familiarity can delay the recognition or acceptance of deteriorating fundamentals or an adverse shift in a company's operations, as they are more inclined to rationalise warning signs than objectively reassess their position. Investors may remain comfortable through periods of weakening performance, dismissing early signs of stress as temporary setbacks, when they might actually represent structural issues. Earnings volatility, rising leverage, or declining cash flows can be overlooked simply because the name still "feels" strong. In some cases, this complacency only breaks when outcomes are unavoidable through sharp price corrections, restructurings, or prolonged underperformance. The lesson is not tied to any single issuer or market, it is systemic.

History offers several clear illustrations. For example, companies such as Nokia and BlackBerry were once dominant, widely trusted brands. Despite early signs of strategic missteps and intensifying competition, many investors remained focused on their past success, only reassessing after significant and sustained declines in market value. In more extreme cases, such as Enron, confidence rooted in reputation masked deeper structural issues, ultimately resulting in severe losses for both equity and bondholders. Closer to home, even well-established household names can face similar challenges when operating within industries undergoing structural changes. Companies in traditional media and entertainment, for example, may continue to benefit from strong brand recognition and loyal audiences, but still contend with shifting consumer preferences, digital disruption and evolving revenue models. In such cases, familiarity alone can obscure the need for a deeper assessment of whether strategic pivots are sufficient to stabilise or reposition the business. These examples highlight a key point about familiarity bias – whether it's credit, earnings, or valuation risks, they do not diminish simply because a company is familiar.

Focusing only on the familiar may also cause you to miss out on attractive investment opportunities or cause you to introduce additional risks to your portfolio through concentration in a few investments. In practice, this bias often shows up as an outsized allocation to a handful of well-known names, as investors repeatedly direct capital toward businesses they recognise and feel comfortable with. Over time, this can result in a disproportionate share of a portfolio being tied to a few familiar holdings, not necessarily because they offer the best

There is nothing wrong with starting with what you know, as this can be a useful entry point for investing. But it should never be the endpoint when investing. Left unchecked, it becomes a bias that clouds judgment, delays action and concentrates risk where it is least expected.

value or growth prospects, but because they are the most trusted. This reduces the flexibility to allocate capital toward other opportunities that may offer stronger returns or better diversification benefits. In turn, this behavioural bias does not just increase downside risk; it also quietly limits upside potential by narrowing the opportunity set available to investors.

Investors can mitigate this by ensuring investment decisions are based on fundamentals. Looking beyond the company name and ensuring the financials pass the smell test is crucial. While debt plays a role in the capital structure, too much or increasing debt, particularly in the face of weakening or uncertain cash flows, can be an early warning sign. Short-term fluctuations in earnings are inevitable; however, sustained earnings weakness often signals deeper operational challenges. Beyond historical financial metrics, the sustainability of a company's business models should also be assessed to determine whether earnings are supported by strong, lasting competitive advantages like pricing power and resilient demand. A sustainable business model can withstand economic cycles, maintain margins under pressure, and generate consistent cash flows without excessive reliance on external support. Without this, even the most popular names can quickly become high-risk exposures.

Ultimately, there is nothing wrong with starting with what you know, as this can be a useful entry point for investing. But it should never be the endpoint when investing. Left unchecked, it becomes a bias that clouds judgment, delays action and concentrates risk where it is least expected. In the end, familiarity can feel like insight, but more often it is a shortcut that leads to blind spots. The most resilient portfolios are not built on what investors recognise; they are built on what they rigorously understand. The next time you decide to invest in an asset, take a step back and ask a simple but critical

question: "is this investment supported by fundamentals, or am I investing simply because the company is familiar? The difference can go a long way in driving portfolio returns.

Foreign Exchange Market

The Jamaican dollar (JMD) depreciated slightly by 0.3% against the USD, with the weighted average selling rate for US\$1 increasing from J\$158.71 on March 20, 2026, to J\$159.16 on March 27, 2026. During the week, the BOJ intervened once in the foreign exchange (FX) market, on March 20, selling a total of US\$50Mn. The total sale amount, however, was significantly below the US\$116.50Mn received in total bids, indicating a high level of demand for USD.

Selling	Close: 20/3/2026	Close: 27/3/2026	Change
J\$/US\$1	\$158.71	\$159.16	\$0.45
J\$/CDN\$1	\$115.97	\$115.39	(\$0.58)
J\$/GBP£1	\$211.49	\$211.23	(\$0.26)

Global Bond Prices

Last week, investors remained cautious as the war in Iran, newly released economic data in the United States (U.S.) and communications from the U.S. Federal Reserve (The Fed) continued to reinforce a higher-for-longer interest rate environment. There were mixed signals on a potential de-escalation of the war in Iran. U.S. President Donald Trump announced a 10-day extension of the pause on energy facility attacks to allow for further negotiations. However, continued denials from Iran and uncertainty surrounding the Strait of Hormuz limited any meaningful improvement in sentiment. On the macroeconomic front, unemployment data indicated that price pressures remain sticky, particularly in services, limiting the scope for near-term monetary easing. Initial jobless claims rose modestly to 210,000, while continuing claims fell to their lowest level since May 2024. Meanwhile, consumer sentiment data from the University of Michigan came in slightly below expectations at 53.3, suggesting subdued but stable household confidence. Market attention also veered to Fed policy as officials maintained a cautious stance, signalling that although inflation has moderated from prior peaks, it remains above target and requires continued policy restraint. At the same time, geopolitical risks from the war in Iran, particularly concerns surrounding supply chain disruptions and elevated oil prices with Brent Crude prices settling at US\$112.57/bbl kept inflation expectations anchored at relatively high levels, reinforcing the Fed's cautious posture.

Consequently, the 10-year U.S. Treasury yield ended the week at 4.44%, up from the 4.39% the previous week. As higher yields correspond to lower prices, it points to softer demand conditions amid the geopolitical and economic uncertainty. Likewise, emerging market (EM) bond yields also closed higher amid broad-based price declines, as risk sentiment remained fragile and capital flows favoured more defensive positioning amid the heightened global uncertainty.

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
Amazon (4.65%) 2035 (NEW) ²	AA-/Stable	\$101.00	4.52%	BUY
Amazon (4.55%) 2033 (NEW) ³	AA-/Stable	\$102.00	4.21%	BUY
Amazon (4.875%) 2036 (NEW) ⁴	AA-/Stable	\$102.00	4.62%	BUY
Bahamas (6.00%) 2028	BB-/Stable	\$103.25	4.67%	BUY
Bahamas (6.63%) 2033	BB-/Stable	\$104.00	5.93%	BUY
Bahamas (6.95%) 2029	BB-/Stable	\$104.00	5.71%	BUY
Bahamas (8.25%) 2036	BB-/Stable	\$109.25	6.97%	BUY
Bahamas (8.95%) 2032	BB-/Stable	\$113.75	6.35%	BUY
Bahamas (9.00%) 2029	BB-/Stable	\$110.25	5.46%	BUY
Barbados (8.00%) 2035	B+/Stable	\$105.00	7.25%	BUY
Blackstone (6.00%) 2032	BBB-/Positive	\$99.75	6.05%	BUY
Block Inc (6.00%) 2033	BB+/Positive	\$100.75	5.87%	BUY
Minerva (4.38%) 2031	BB/Stable	\$85.65	5.91%	BUY
Bermuda (4.75%) 2029	A2/Stable	\$103.50	3.46%	BUY
DOMREP (5.75%) 2034 (NEW ISSUE) ⁵	BB/Stable	\$98.25	6.03%	BUY
DOMREP (5.88%) 2035	BB/Stable	\$98.00	6.15%	BUY
DOMREP (6.15%) 2038 (NEW ISSUE) ⁶	BB/Stable	\$97.75	6.42%	BUY
DOMREP (6.95%) 2037	BB/Stable	\$105.00	6.31%	BUY
DOMREP (5.50%) 2029	BB/Stable	\$102.25	4.66%	BUY
DOMREP (8.63%) 2027	BB/Stable	\$105.00	3.71%	BUY
GEPARK (8.75%) 2030	B+/Stable	\$101.50	8.28%	BUY

² 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

³ Issuer- Amazon Inc Industry-Retailers, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 4.55%, Coupon Payment- Semi-annually, Maturity - March 13, 2033, Risk Profile - Conservative

⁴ Issuer- Amazon Inc Industry-Retailers, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 4.875%, Coupon Payment- Semi-annually, Maturity - March 13, 2036, Risk Profile - Conservative

⁵ Issuer- Government of the Dominican Republic, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 5.75%, Coupon Payment- Semi-annually, Maturity - March 17, 2034, Risk Profile - Moderate

⁶ Issuer- Government of the Dominican Republic, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 6.15%, Coupon Payment- Semi-annually, Maturity - May 17, 2038, Risk Profile - Moderate

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
Goldman Sachs Private Credit (5.875%) 2031	BBB-/ Stable	\$100.00	5.87%	BUY
Kingston Airport Revenue (6.75%) 2036	BB+/ Stable	\$102.25	6.45%	BUY
Marex (6.404%) 2029	BBB-/ Positive	\$105.75	4.64%	BUY
NCBFG (11.0%) 2030	B+/Stable	\$107.19	9.10%	-
NRG (3.88%) 2032	BB+/ Stable	\$94.00	5.07%	BUY
NRG (6%) 2033	BB+/ Stable	\$102.75	5.51%	BUY
NRG (6.25%) 2034	BB+/ Stable	\$103.25	5.76%	BUY
Petro Rio (6.75%) 2030	BB-/ Positive	\$101.00	6.49%	BUY
TRANSJAM (5.75%) 2036	BB/ Positive	\$99.50	5.81%	BUY
Trinidad and Tobago (6.50%) 2036 (NEW ISSUE)⁷	BBB-/ Negative	\$102.00	6.22%	BUY
BANORTE (5.75%) 2031	Baa2/ Negative	\$102.75	5.17%	SELL
FRICON (7.7%) 2028	B/Stable	\$32.00	72.39%	SELL
NFE (6.5%) 2026	D	\$16.25	1,084.62%	SELL

Prices and yields are indicative. For further information on the recommendations outlined in this publication, including suitability considerations and detailed investment insights, clients are encouraged to contact their NCB Capital Markets Wealth Advisor. Your Wealth Advisor can provide personalised guidance aligned with your investment objectives, risk tolerance and portfolio strategy. Additionally, see Disclaimer on page 9.

⁷ Issuer- Government of Trinidad & Tobago, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 6.50%, Coupon Payment- Semi-annually, Maturity - January 28, 2038, Risk Profile - Moderate

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	102.15	4.65%
	2036	116.00	6.30%
	2039	115.10	6.19%
	2045	114.50	6.54%

*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

Liquidity in the JMD money market increased, as measured by the aggregated current balances held by Deposit-Taking Institutions (DTIs). As at March 27, 2026, the total aggregate current balance amounted to J\$66.00Bn, marking a 51.7% increase compared to the previous week.

The Bank of Jamaica's (BOJ) weekly 30-day Certificate of Deposit (CD) auction was undersubscribed. Total bids amounted to J\$34.38Bn, below the \$40.0Bn issue size, implying a bid-to-offer ratio of 0.86x. This 0.86x ratio marks a decline from the previous week's 1.02x ratio, as the higher offer size (+100.00%), grew faster than the higher bid amount (+68.48%). The average yield on the 30-day CD Auction was 5.86%, 14 basis points above the 5.72% recorded in the previous week. The next CD auction is scheduled for April 1, 2026.

The BOJ also conducted a 14-day repo auction last week, offering J\$3.0Bn in liquidity. Total bids received amounted to J\$4.0Bn, resulting in a bid-to-offer ratio of 1.3x. The offer volume was twice the size of the previous repo auction on March 16th. The average yield settled at 5.73%, representing a 3-basis point increase compared with the prior auction. The next auction for 14-day repurchases is scheduled for Monday, March 30, 2026.

With the BOJ's next policy rate decision scheduled for March 31, 2026, attention is now firmly centred on the Bank's near-term policy stance amid rising global uncertainty. While the central bank had signalled a cautious shift toward monetary easing in February 2026, the recent escalation in geopolitical tensions, particularly the war in Iran and its impact on global energy and commodity prices, has likely prompted a pause on cuts and greater vigilance. Against this backdrop, the BOJ is expected to hold its policy rate steady at 5.50%, as policymakers assess the potential pass-through of higher energy and fertiliser prices to domestic inflation.

Dates to watch this week

■ International ■ Local

March- April 2026				
MON	TUE	WED	THUR	FRI
30	31	1	2	3
PJAM Dividend Payment Date (J\$0.275/share)	Quarterly Gross Domestic Product Q4 2025 (STATIN) Employment Jan 2026 (STATIN) SVL Dividend Payment Date (J\$0.0293/share) CHL Dividend Payment Date (J\$0.11/share)	PBS (9.2%) Pref US Dividend Payment Date (US\$0.23125/share) PBS (10.50%) Pref Dividend Payment Date (\$25.890411/share)	CAR Dividend Payment Date (J\$0.40/share) SCI Dividend Payment Date (US\$0.00172/share)	
	U.K GDP (Q4) Canada GDP (Jan)			U.S. Unemployment Rate (Mar)

MARCH 31, 2026

Recommendations

JSE Ticker	Closing Price (March 30, 2026)	P/E	Avg. Sector P/E	Current Recommendation
WOODCATS	\$0.88	12.6x	22.8x	BUY
SVL	\$16.05	22.9x	22.9x	BUY

Prices and yields are indicative. For further information on the recommendations outlined in this publication, including suitability considerations and detailed investment insights, clients are encouraged to contact their NCB Capital Markets Wealth Advisor. Your Wealth Advisor can provide personalised guidance aligned with your investment objectives, risk tolerance and portfolio strategy. Additionally, see Disclaimer on page 9.

Fund	Fund Composition	Price/NAV\$	12 Month Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
NCB Capital Markets Limited (NCB CAPFUNDS)			NAV *AS AT MARCH 27, 2026		
O Money Market Fund (M Fund)	F	16.5056	5.74%	1.50%	5.00%
O Income Optimizer Fund (iO Fund) ◇	F	15.6038	6.56%	1.29%	4.02%
Caribbean Equity Fund (E Fund) †	E	26.4284	-7.39%	-0.37%	8.40%
◇ Real Estate Fund (rE Fund) †	R, F	17.5376	21.43%	3.47%	2.54%
O USD Money Market Fund (xM Fund)	F	1.2422	2.83%	0.60%	2.39%
O USD Bond Fund (xB Fund)	F	1.3452	1.16%	0.26%	2.88%

Key: O = Tax Free (special conditions apply) · □ = Tax Free · † = Sales commission/front end fee up to 2% · ◇ = Non-Diversified Unit Trust · F/E/R = Fixed Income, Equity, Real Estate

Regional News

T&T Government Says There Is No Intention to Increase Fuel Costs Locally

The Trinidad & Tobago government has no plans to raise fuel prices amid ongoing tensions in the Middle East, according to Finance Minister Davendranath Tancoo. He made the comments yesterday while speaking with journalists at the Trinidad and Tobago Manufacturers Association's (TTMA) Leadership Discussion and Networking Event at the Hyatt Regency (Trinidad), Port of Spain. Tancoo acknowledged that while Trinidad & Tobago has no role in the war, the recent surge in energy prices could impact the country. Notwithstanding, he reiterated that, despite rising global prices, there is no intention to increase fuel costs locally. He described the development as a "mixed blessing", noting the country imports a significant portion of its fuel. "Therefore, the cost to the Government has gone up. Shipping costs have also gone up. We produce some oil and, therefore, as a result, we would have increased the take from the higher prices that have resulted." Minister of Energy Dr Roodal Moonilal had stated earlier this month that rising global liquefied natural gas (LNG) prices amid Middle East tensions could boost Trinidad and Tobago's export earnings. He noted that the country's position as a net LNG exporter made it more resilient than import-dependent economies during periods of global supply uncertainty. "Trinidad and Tobago's exposure to global LNG supply disruptions is fundamentally different from that of major import-dependent economies," he added.

Source ~ Trinidad Express Newspapers

Dominica Moves to Cushion Economic Fallout from Middle East Conflict

The Government of Dominica on Wednesday, March 25, 2026, announced a series of measures aimed at cushioning the economic impact of the ongoing Middle East conflict. Prime Minister Roosevelt Skerit warned that rising oil prices and global supply disruptions could affect fuel, food costs, jobs, and overall economic stability, noting that while the island faces no direct military threat, it remains exposed to economic aftershocks. He warned that the most immediate concern for Dominica is a sharp increase in global oil prices, as the country imports all of its fuel, which will affect electricity costs, transportation, and the price of goods and services, alongside rising costs of imported food and essential supplies due to disruptions in global shipping routes and supply chains.

The Prime Minister also cautioned that a slowdown in global travel and investment could affect tourism and capital inflows into the local economy, highlighting broader risks to economic activity beyond energy and trade channels. To mitigate these risks, Skerit said the government will introduce targeted relief

measures, including temporary reductions on duties and taxes for essential goods, expanded support for vulnerable households through social protection programmes, collaboration with Dominica Electricity Services to manage energy costs, and continued progress on the geothermal energy project in Laudat to reduce reliance on imported fuel and lower electricity costs over time. Additionally, the government will engage stakeholders across tourism, agriculture, and the private sector to protect jobs and maintain economic activity, while strengthening fiscal management by prioritising critical spending and deferring discretionary expenditures, with Skerit urging citizens to remain calm despite potential pressure from rising prices.

Dominica joins the Dominican Republic, Barbados, Antigua and Barbuda and Guyana, which are among the Caribbean countries that have announced relief measures for its residents in recent weeks as the US-Israeli war on Iran has caused a sharp rise in energy prices.

Source ~ Caribbean News Weekly

International News

Iran War Erases Global Growth Upgrade, Fans Inflation

Global GDP growth is now projected to ease from 3.3% last year to 2.9% in 2026 before edging up to 3.0% in 2027, as an energy price surge and the unpredictable nature of the conflict offset tailwinds from strong technology-related investment, lower effective tariff rates and momentum carried over from 2025. "There's a high level of uncertainty around the duration and the magnitude of the current conflict in the Middle East and that means that this outlook is subject to significant downside risks that could result in lower growth and higher inflation" noted the Organisation for Economic Co-operation and Development (OECD) chief Mathias Cormann. The projections in the OECD's interim Economic Outlook are conditional on a technical assumption that energy market disruption moderates over time, with oil, gas and fertiliser prices declining gradually from mid-2026 onwards. The 2026 projection is unchanged from the OECD's December 2025 forecast, but preliminary indications since then had suggested global GDP growth could have been upwardly revised by around 0.3 percentage points in 2026 had the conflict not escalated, a revision that has been entirely erased by the impact of the fighting.

With energy prices now soaring, G20 inflation is projected to be 1.2 percentage points higher than previously expected in 2026 at 4.0%, before easing to 2.7% in 2027. However, a prolonged disruption to shipments through the Strait of Hormuz or sustained closures of oil and gas facilities could lead to significantly worse outcomes. In an adverse scenario where energy prices peak higher and stay elevated longer, global growth would be 0.5

percentage points lower by the second year of the shock, and inflation would be 0.9 percentage points higher.

Source ~ Reuters & OECD

US Pump Prices Hit \$4 A Gallon as Iran War Wreaks Havoc on Global Energy Supply

The U.S. national average retail price of gasoline surpassed \$4 per gallon for the first time in more than three years on Monday, March 30, 2026, as the U.S.-Israeli war with Iran continued to roil global energy markets. The \$4 per gallon threshold, last reached in August 2022 following Russia's invasion of Ukraine, represents what analysts have described as a psychological barrier for consumers. Prices for a range of goods have been rising alongside crude oil, following Iran's effective closure of the Strait of Hormuz, a critical global trade chokepoint.

Surging fuel prices have begun to weigh on U.S. household finances, which were already under pressure from elevated living costs. The national average gasoline price has increased by approximately \$1.06 per gallon, or 36%, since the U.S. and Israel launched strikes on Iran at the end of February. With crude oil prices continuing to climb, analysts warn that pump prices could rise further in the near term.

According to a Reuters/Ipsos poll, 55% of respondents said their household finances had been at least "somewhat" affected by higher gasoline prices, with 21% reporting that the impact had been felt "a great deal."

Notwithstanding these pressures, the administration has taken steps to assuage rising energy costs as the conflict has persisted, including a waiver of the Jones Act shipping law. The waiver temporarily allows foreign-flagged vessels to transport fuel, fertiliser and other goods between U.S. ports. However, industry participants expect the measure to have only a marginal impact on price increases.

According to economist, Jeremy Siegel, "The key issue is not simply crude oil itself. It is gasoline, the most visible price in the economy for consumers, and when that price jumps it hits psychology immediately. That matters, even if the broader economic effect is more balanced than the headlines."

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.

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