

# Market Guide

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"The individual investor  
should act consistently as  
an investor and not as a  
speculator" ~ Benjamin  
Graham

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## Higher Revenues Support Bottom-line of Some Manufacturing Companies; Elevated Costs Depress Margins

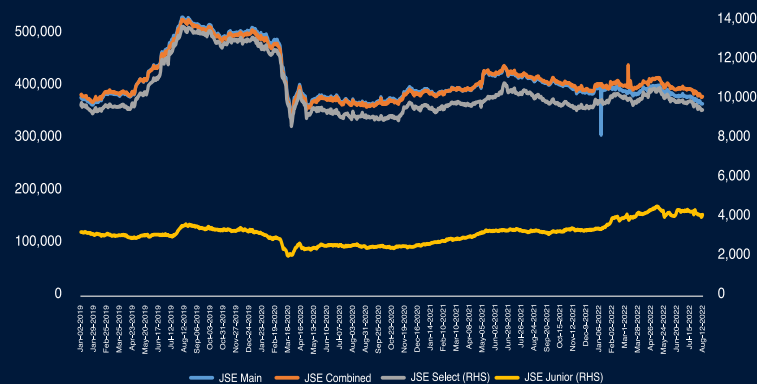
Increased demand for consumer staples and household items as well as higher prices drove revenue growth for most listed Junior market manufacturing companies in their most recently concluded financial quarter. However, some saw net profit growth being tempered or adversely impacted by higher shipping and utility costs and raw material prices. Of the ten (10) companies listed in the sector, seven saw an improvement in earnings owing to strong revenue growth which surpassed increases in costs. AMG Packaging & Paper Company Ltd., AMG (29.3%), Lasco Manufacturing, LASM (3.1%), Caribbean Flavours & Fragrance, CFF (0.26%), Jamaica Fibreglass Products Limited, JFP (103.4%) and Spur Tree, SPUR (35.6%) were among the companies to have reported an expansion in earnings for their respective quarters. Gradual economic recovery<sup>1</sup>, renewed business activity, and the reduction in unemployment, which increased consumers' disposable income and higher sales prices as producers pass on increased costs continue to drive revenues. However, in some stances, the costs outstripped the growth in revenues. HoneyBun (-24.4%), KREMI (-98%), and JAMT (-145.01%) experienced a falloff in gross profit margins and

a decline in net earnings on the back of elevated shipping and utility costs as well as raw material prices driven by supply chain challenges, the war on Ukraine and lockdowns in China fueled by COVID-19 outbreaks. While some companies fared better than others in containing costs, the cost impact on companies within the sector was widespread as commodity price shocks and high shipping costs contributed to a 23.8% point-to-point increase in the manufacturing industry producer price index for June 2022. The main drivers of the elevated input costs have begun to ease on account of recession fears and increased grain supply following a deal between Russia and Ukraine. If this trend is sustained along with the benefits that continue to accrue from the economic rebound, there could be a tempering of the negative effects of cost on the sector's profit margins. However, the biggest downside risks that remain are the still-evolving COVID-19 pandemic, monkeypox, a possible recession in key markets and another spike in commodity and shipping prices stemming.

Sustained demand for consumer staples, office and household items, continued to drive revenue growth for most companies within the manufacturing sector. For its third quarter,

<sup>1</sup>The Jamaican economy grew by an estimated 5.7% in the June quarter over the same period last year. This was driven by a 0.4% decline in the Goods Producing Industry and 7.7% expansion in the Services Industry.

### WEEKLY MOVEMENT IN INDICES



### MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	375,849.10	-1.28%	-6.3%
Main Market Index	362,534.06	-1.31%	-8.5%
Select Index	9,282.90	-2.03%	-6.1%
Junior Market Index	4,100.81	-1.00%	19.6%

### WINNERS & LOSERS (FOR THE WEEK ENDED AUG 19, 2022)

	\$ Change	% Change
MTL	+\$7.40	+33.6%
EFRESH	+\$0.34	+27.0%
MTL USD	-\$0.04	-29.9%
CBNY	-\$0.15	-25.0%

### MARKET OVERVIEW

Sell in May and go away\* is a well-known adage in finance. It refers to the general weaker performance of the stock market during the six months from May to October. Market activity on the JSE appears to be following this pattern since May of this year. Last week the trend continued with most stocks closing lower. The strategy involves liquidating stock positions in May, presumably going on vacation over the summer, and then re-entering the market in November. However, many other factors could have also influenced the falloff witnessed since May. Among these are rising interest rates which have made fixed-income securities more attractive than equities, and tight JMD liquidity which has affected institutional investors' ability to participate in the market. More recently, there is the possibility that investors are also liquidating existing positions to participate in the PBS preference share offer that is now open. Moreover, in the past two weeks, investors also liquidated to participate in the recently concluded One on One IPO. However, given the vast oversubscription, members of the general public pool will only receive the first 5,000 units plus a pro-rata allocation of approximately 2.23% of the balance in excess of 5,000 units. As a result, it is anticipated that the market could experience increased buying activity after refunds are issued and investors seek to redeploy funds into the market. Nevertheless, there is also a possibility that funds may be positioned into other assets such as BOJ CDs. Over the past week, 123 stocks traded with 42 advancing, 71 declining and 10 trading firm. Against this background, all major indices declined, except for the JSE USD Index, which advanced by 6.09 points. Among the indices that declined, the JSE Financial and the JSE Select Indices posted the largest declines of 2.18% and 2.03%, respectively. The largest decliner amongst the stocks was Margaritaville (Turks) Limited USD (29.9%), while the main advancer for the past week was Margaritaville (Turks) Ltd (33.6%). There was no news to support the movement in either stock.

AMG recorded a 29% year over year increase in net profit (see Table 1 below). Despite the increase in expenses which came on the back of a shortage of paper rolls and shipping delays and a rise in shipping costs, it did not outweigh the increase in revenues (48%). This sales performance was supported by AMG's addition of a second factory, which supported inventory management and its ability to meet the demand arising from the reopening of the economy. Similarly, LASM's net profit jumped 31% primarily due to an unrealised gain on financial instruments of \$111.21Mn. Once this was stripped out, there was only a 3.1% growth in net profit partly due to a 12.3% increase in revenues and a 51.1% decline in finance costs. Its gross margin declined by 175 basis points to 34.5% due to the impact of elevated inflation on materials, logistics and energy costs that were only partially recovered through selling price increases. However, JFP experienced a 47 percentage points increase in its gross profit margin to 66% and moved from a net loss of \$20.26Mn for the three months ended June 2021 to a net profit of \$0.69Mn in June 2022. This was driven primarily by an increase in projects executed (97.5%) and a decline in direct costs (17.2%). Owing to its recent listing on the Junior Market in January 2022 and the tax advantage gained from this move, SPUR recorded a 35.6% increase in earnings supported by greater product sales as food service locations welcomed higher demand following the removal of restrictions<sup>2</sup>. Despite the global increase in direct costs, these companies have fared better navigating the cost challenges to deliver higher net profit outturns.

#### On the other hand, rising costs

<sup>2</sup>For the year ended April 30, 2022, BPOW, realized an 81.6% rise in net profit; however, this was primarily due to the gain on sale of an investment property. Once this was stripped from earnings, the company realized a 55.1% decline in net income. Revenues were down by 1.5% and the core soap operations incurred a loss after it adversely affected by the decision within the CARICOM export markets to apply a 40% duty to soap manufactured in Jamaica using imported raw material. As a result, in 2022, the company lost market opportunities in CARICOM.

<sup>3</sup>The P/E ratio is calculated by taking the current stock price and dividing it by the trailing earnings per share (EPS) for

and investment losses outweighed the improvement in revenues for some companies. While Jamaican Teas reported strong operating revenue growth of 22.2% due to greater domestic and export sales, an increase in its cost of sales and unrealized investment losses from weaker stock performance, outstripped this, resulting in a two percentage points loss in the gross profit margin to 24%. This adverse trend resulted from sharp increases in ocean freight costs as well as increases in raw materials costs not yet fully reflected in prices to its customers. Likewise, KREMI's net profit declined by 98% due to an increase in direct cost (+31%), operating expense (+8%) and finance cost (+139%), despite a 12% growth in revenues owing to an increase in prices. Further, for the three months ended June 30, 2022, though sales were up 39%, Honey Bun's net profit was 24% below the prior year. The decline in net profit was attributable to the continued rise in the cost of sales and the full tax rate being applied in 2022 after being listed on the JSE for more than 10 years.

Six companies have seen a recovery in stock prices since the falloff in 2020, surpassing their pre-pandemic levels. The recovery in the companies' stock prices has been driven by the improvement in earnings and positive outlooks for the companies. However, five of the companies experienced a decline in stock prices YTD (see table 2). This could be influenced by weaker performances for some companies, as well as a negative market response to high interest rates and the relative attractiveness of fixed income and short-term securities. That said, while JAMT surpassed its 2019 price-to-earnings (P/E)<sup>3</sup> multiple, most of this increase in the stock price happened in 2021 (see table 2)

Sustained demand for consumer staples, office and household items, continued to drive revenue growth for most companies within the manufacturing sector.

**While some companies fared better than others in containing costs, the cost impact on companies within the sector was widespread as commodity price shocks and high shipping costs contributed to a 23.8% point-to-point increase in the manufacturing industry producer price index for June 2022.**

owing to the strong recovery in net income relative to 2020<sup>4</sup>. All other stocks are trading below their pre-pandemic multiples. The return to 2019 levels will depend on the progression of global commodity prices and other input costs and the ability of economies to contain inflation while facilitating a soft landing.

Sustained demand from schools, hotels, businesses and households, especially given the removal of COVID-related restrictions, should support earnings in coming quarters. However, elevated costs will continue to depress profitability. This impact could be tempered if the recent slowing in global energy, grains, food<sup>5</sup> and freight charges<sup>6</sup> continue, influencing a slower pace of growth in the producer price index and individual company costs. Some experts such as past president of JMEA, and current group CEO of Seprod, Richard Pandohie, are expecting a softening in commodity prices especially since wheat exportation from the Black Sea port in Ukraine has resumed. While prices tend to be sticky downwards, if companies begin to pass on the price reductions to consumers as suggested by the past president, this will stimulate demand. Additionally, companies could see further improvement in earnings through the varying strategies being implemented to boost sales. LASM has expressed intentions to continue its product innovation with a pipeline of new products being tested for future introduction to the market. JFP has secured its first US order with a multinational hotel chain for furniture production and outfitting. This will add tremendous value and possibly open up new opportunities for the company in the USA which should in turn bolster the bottom-line. Additionally, Spur Tree Spices continues to explore new avenues to grow revenue and increase its presence in the local and export market via its recent distribution agreement with Massy Distributors. However, aside from high input costs, elevated inflation and its impact on consumer spending, as well as a possible recession in export markets pose downside risks to the sector's outlook. Further, the rising interest rate environment and tight liquidity may continue to depress stock valuations, investor demand and share prices.

	FY 2019	FY 2020	FY 2021	23-Aug-22	YTD Stock Price (%)
<b>Price (\$)</b>					
BPOW	4.2	3.9	4.4	3.2	1.70%
AMG	2.3	1.71	1.6	3.7	66.60%
HONBUN	6.57	4.8	8.61	8.1	-12.60%
PURITY	1.66	1.39	1.2	1.6	30.2%
KREMI	3.6	4.2	5.7	3.9	-25.50%
CFF	1.6	1.7	1.2	1.78	-6.10%
LASM	3.6	3	4.5	4.2	-10.70%
SPUR	-	-	-	3.9	390.00%
JFP	-	-	-	1.4	43.00%
JAMT	2.05	1.61	4.1	2.9	-22.70%
	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>23-Aug-22</b>	
<b>P/E (x)</b>					
BPOW	35	38.7	22.9	9.4	
AMG	19.2	15.6	13.3	18.4	
HONBUN	19.9	13.7	18.7	21.3	
PURITY	-	-	-	5.5	
KREMI	22.9	23.5	17.8	-	
CFF	45.7	18.8	20.2	19.9	
LASM	13.7	12.5	13.5	10.2	
SPUR	-	-	-	82.3	
JFP	-	-	-	14.6	
JAMT	10.6	15.1	21.58	22.6	

Sources: Bloomberg, JamStockE.n, S&P Global IQ

(% Change)	BPOW*	AMG (Q3)	HONBUN (Q3)	PURITY (Q2)	KREMI (Q1)	CFF (Q2)	LASM (Q1)	SPUR (Q2)	JFP (Q2)	JAMT (Q3)
<b>Revenue</b>	-1.40%	47.60%	39.40%	41.70%	11.50%	10.80%	12.30%	1.50%	97.50%	22.20%
<b>Cost of Sales</b>	14.90%	66.50%	73.10%	31.90%	31.20%	8.90%	15.30%	-3.10%	-17.20%	25.80%
<b>Gross Profit</b>	-30.40%	10.50%	4.70%	57.30%	-20.80%	15.10%	6.90%	10.50%	596.60%	12.30%
<b>Net Profit</b>	81.60%	29.30%	-24.40%	-193.30%	-97.60%	0.30%	3.10%	35.60%	103.40%	-145.00%

Source: Companies' Financial Statements  
\*For the year ended April 2022

the past 12 months.

<sup>4</sup>For the financial year ended September 30, 2022, JAMT's net income grew by 76.7% to \$392.94Mn.

<sup>5</sup>The slump was led by significant declines in vegoil and cereal prices accompanied by drops in other indexes, such as sugar, dairy and meat. However, the food price index remained 13% above its value in July 2021, which means that the world is not out of the woods just yet as global food prices have not normalised to pre-pandemic levels.

<sup>6</sup>Further shipping costs have come down from their pandemic highs of US\$17,000 to US\$9,710 to ship a 40ft container from Shanghai to New York (Drewry).

## Foreign Exchange Market

The Jamaican dollar appreciated by 0.45% relative to the USD, week over week, with the USD selling rate moving from J\$152.47 on August 12th to J\$151.78 on August 19th. The appreciation was fuelled by higher USD sales into the market as brokers continue to compete for JMD in a tight market.

Selling	Close: 12/08/22	Close: 19/08/22	Change
J\$/US\$1	\$152.47	\$151.78	-\$0.69
J\$/CDN\$1	\$119.52	\$119.97	+\$0.45
J\$/GBP£1	\$187.68	\$179.51	-\$8.17

## Global Bond Prices

Prices retreated over the past week from the over-enthusiased highs of the previous week upon signs of disinflation seen in the Consumer Price Index (CPI) and Producer Price Index (PPI) supporting the inflation peak narrative. The 10-year Treasury yield closed higher at 2.99% from 2.85% in the previous week.

Bonds	Current Rating	Indicative Price	Yield	Recommendation
PETRO-RIO 2026 (6.13%)	BB-/Stable	96.50	7.20%	BUY
Sagicor Fin 2028 (5.30%)	BB-/Stable	95.25	6.30%	BUY
DOM REP 2033 (6.00%)	BB-/Stable	89.50	7.46%	BUY
GEOPAR 2027 (5.5%)	B+/Stable	91.50	7.82%	BUY
TPHLTT 2029 (9.00%)	BB	108.50	7.41%	BUY
MARFRIG 2026 (7.00%)	Ba2/ Positive	102.50	6.23%	BUY
BERMUD 2027 (3.72%)	A+/Stable	101.00	3.47%	BUY

## GOJ Globals

The Jamaica sovereign curve softened, and sellers emerged on the longer end of the curve towards the

week's end. The Dominican Republic bonds also declined along the curve in line with the risk-off stance. This was largely a pullback as markets overreached in the prior week as investors reacted to weaker CPI and PPI data. The weaker outturn supported the narrative that inflation has peaked. GDP figures to be released this week are anticipated to corroborate this narrative as well. However, it is anticipated that prices will be relatively flat this week as investors become dovish.

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	110.50	4.62%
	2039	121.00	5.98%
	2045	118.00	6.37%

\*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	Coupon	Price	Yield
GHL	2026	6.75%	105.00	6.47%
JBG	2028	6.75%	104.20	5.95%
Seprod	2024	7.25%	103.55	5.70%

## Money Market

To contain Jamaican dollar liquidity expansion and to maintain relative stability in the foreign exchange market to guide inflation back within the target range of 4.0-6.0%, the Bank of Jamaica (BOJ) continues to pursue different measures. Last week the inflation figures showed that the point-to-point rate (July 2021 – July 2022) was 10.2%, below the June 2022 outturn of 10.9%. While the BOJ reported that it is encouraged by the direction of the last three CPI reports. The Bank, however, noted that the conditions that led to these inflation outturns have not sufficiently solidified to ensure that inflation is sustainably on a downward path. As a result, on August 18th, the central bank announced its decision to further tighten monetary policy by increasing the policy interest rate by 50bps to 6.00%, which represents a cumulative increase in the policy rate of 550bps since October 2021. BOJ has however pledged to continue to monitor the global and domestic economic environments closely and is prepared to pause its monetary policy tightening, if data continues to reflect a downward track for inflation. The date of the next policy decision announcement is due on September 29, 2022.

Consequently, to guide inflation back within the target range of 4.0-6.0%, the Bank of Jamaica (BOJ) continues to tighten its monetary policy. As a result, JMD liquidity

remains tight, and there is a high level of competition for cash by market players such as DTIs. This is necessary to who are trying to maintain liquid asset ratios and remain sufficiently liquid. Therefore, rates are expected to remain elevated. As of August 18th, a total of J\$22.5Bn was in the market, highly concentrated amongst a few DTIs as represented by the BOJ's aggregated current balances,. This represents a 303.0% a marked increase over the J\$5.59Bn reported on August 11, but significantly below liquidity levels earlier this year. The increased liquidity was fuelled by the BOJ USD-Indexed bond that matured on August 12th and was reflected in the closing balance figures. Market players were mainly square last week, with very limited lending. However, rates for the one-week period ranged between 6.75% and 7.40%.

The average yield from BOJ's competitive price auction remains elevated. However, after six consecutive weeks of yield increases, the yield decreased to 7.94% last week relative to 8.64% in the prior week. The CD auction was oversubscribed with the highest bid rate for full allocation at 9.25%. The elevated BOJ CD rates have caused demand for higher rates in the market. Of note, the BOJ will be offering a two-year fixed rate CD (7.50% coupon) to the market on August 23rd with an offer volume of J\$8Bn; J\$7.6Bn to be allocated on a competitive basis, and J\$400M to be allocated on a non-competitive basis to public sector entities. The USD money market remains stable and moderately liquid despite market activity changes affecting liquidity, including the interest rate hikes by the Federal Reserve (Fed). Fed officials at their July meeting indicated that they are unnot likely to consider pulling back on interest rate hikes until inflation comes down substantially.

While Fed did not provide specific guidance for future increases, the Fedit indicated that it would be watching data closely before making a decision. The market is pricing in a half-point rate hike at the September meeting, though that remains a close call. Meeting participants noted that the 2.25%-2.50% range for the federal funds rate was around the "neutral" level, and was neither supportive nor restrictive on activity. Some officials indicated however that a restrictive stance is deemed appropriate, indicating more rate hikes to come. With further rate hikes anticipated, a slowing US economy coupled with reports of current liquidity strains in US markets, USD liquidity locally could be adversely affected in the upcoming months. Improved tourism inflows and continued remittance flows (albeit slower), along with BOJ's periodic intervention in the FX market are expected to support USD liquidity. Of note, there has been no intervention by the BOJ in the FX market since the beginning of August, however, the market remains stable. It is expected that the BOJ will continue to intervene as necessary to maintain stability in the foreign exchange market. Broker market demand for USD

remains at 30-days and longer-tenured funds, with some brokers offering as high as 5.00% for one year to clients.

## Stock Recommendations

Ticker	Price (August 23)	P/E	Avg. Sector P/E	Current Recommendation
WISYNCO	\$17.50	17.2x	15.8x	BUY
JMMBGL	\$41.06	6.9x	10.6x	HOLD
MASSY	\$85.82	11.4x	11.0x	BUY
JAMT	\$2.94	22.6x	19.9x	BUY
LAB	\$2.73	19.5x	17.3x	BUY
SJ	\$53.20	11.2x	10.6x	HOLD
SEP	\$69.94	21.1x	15.8x	HOLD
QWI	\$0.78	3.5x	10.6x	HOLD
GK	\$91.66	10.9x	11.0x	BUY
CCC	\$56.75	11.3x	16.7x	BUY
PJAM	\$59.98	10.5x	10.6x	BUY
KW	\$35.52	16.2x	16.7x	BUY
LUMBER	\$2.80	10.8x	19.9x	BUY
TROPICAL	\$2.59	20.2x	19.9x	HOLD
ELITE	\$3.43	24.5x	17.3x	BUY

## Dates to watch this week

August 2022				
MON	TUE	WED	THUR	FRI
22	23	24	25	26
			US GDP (QoQ), (Q2); US Consumer Spending (Q2)	
			Producer Price Index (Jul)	
			ICREATE Annual / Extra-Ordinary General Meeting	

## Regional News

### Colombia's interest rate rises close to its end - policymaker (Reuters)

An expected slowing of Colombia's economic growth and a more gradual rise in inflation suggest a lesser need for interest rate hikes as rates get closer to peaking, central bank board member Roberto Steiner said on Thursday. The bank's board has raised the benchmark interest rate by 725 basis points since September, taking it to 9%, the highest since February 2009. Policymakers accelerated rate rises in June and July with 150 basis point increases, the steepest in 24 years. Inflation in the Andean country was 10.21% in the 12 months to July, the highest since 2000. While the Colombian economy expanded a more-than-expected 12.6% in the second quarter and is set to grow 6.9% this year, analysts and policymakers agree there are signs of slowing expansion. The bank's technical team has predicted the economy will grow by 1.1% in 2023. "So I think we're closing in on the limit of what the macroeconomic situation says should be

the monetary policy stance," he said. His comments are aligned with analysts polled in a central bank survey, who said the board would take rates to 10% before the year ends. The board will next vote on the rate on Sept. 30.

### Brazil's 2022 trade surplus outlook dims, but the record is still in reach (Reuters)

Brazil's trade surplus this year is likely to fall short of prior forecasts, according to private economists and an Economy Ministry official, as a spike in the cost of imported fuel and fertilizer offsets strong exports of other raw materials. The official, who requested anonymity to discuss the ministry's confidential analysis, said Brazil's trade surplus this year is on track to miss the \$81.5Bn projected earlier this month. However, it could still beat last year's record \$61.4Bn surplus, the source said. Market expectations had been holding since April around a \$70Bn surplus, according to the median forecast in a weekly central bank survey of economists, but the outlook has slid over the past month to around \$66 billion last week. The shifting consensus shows how even top raw

material producers such as Brazil, the top exporter of soybeans, beef and sugar, plus a major global supplier of iron ore and crude oil, face mixed fortunes from this year's spike in commodity prices. Leonardo Costa, an economist from Asa Investments, said strong fuel imports will force him to revise down his previous estimate for a \$72 billion surplus this year. "In addition to being a relevant oil exporter, Brazil is highly dependent on its (imported) derivatives," he said. The Economy Ministry is expected to update its forecast for the trade balance in early October.

## International News

### [Analysis: UK slips towards recession, heaping pressure on next PM to help \(Reuters\)](#)

Britain's slide towards a recession has gathered momentum after data this week showed inflation jumping above 10%, wages lagging far behind price growth and consumer confidence sinking to a record low. The deteriorating picture for the world's fifth-biggest economy comes after the Bank of England warned this month of a 15-month contraction from the end of this year, worse than the outlook for other big European economies and the United States. Higher-than-expected public borrowing figures on Friday underlined the hard decisions facing the next prime minister about how to expand help for the poorest households, which has so far fallen short of support given by most other European governments. The stakes were laid bare by a warning from public healthcare providers that Britain faced a "humanitarian crisis" as soaring energy prices put many poorer Britons at risk of physical and mental illness. "Many people could face the awful choice between skipping meals to heat their homes and having to live in cold, damp and very unpleasant conditions," Matthew Taylor, chief executive of the NHS Confederation, said. The scale of the hit to households from their energy bills will become clearer next Friday when regulators announce the latest leap in the cap on electricity and gas tariffs, which have surged since Russia invaded Ukraine. Already almost double their levels of a year ago, the tariffs could double again by early next year. Next week's announcement comes against the backdrop of a record fall in wages, excluding bonuses and adjusted for the jump in inflation which has hit 10.1%, its highest level since 1982.

### [Latest U.S. aid package to Ukraine includes surveillance drones, official says \(Reuters\)](#)

President Joe Biden's latest security assistance package for Ukraine includes surveillance drones and for the first time mine-resistant vehicles, a senior U.S. defense official said on Friday. Since Russian troops poured over the Ukrainian border in February in what Russian President Vladimir Putin termed a "special military operation," the conflict has settled into a war of attrition fought primarily in the east and south of Ukraine. The official, speaking on the condition of anonymity, said the package would be valued at \$775 million and also include additional ammunition and 16 105mm Howitzer systems. The package would include 15 Scan Eagle surveillance drones, 40 MaxxPro MRAP (mine resistant ambush protected vehicles) and about 1,000 Javelin anti-tank missiles. While this is the first time the United States is providing Scan Eagle drones, another country has provided them to Ukraine in the past, the official said, without elaborating. This would bring the total U.S. military aid sent to Ukraine since the Feb. 24 invasion by Russia to \$10.6 billion.

Explosions erupted overnight near military bases deep in Russian-held areas of Ukraine and Russia itself, an apparent display of Kyiv's rapidly growing ability to wreak havoc on Moscow's logistics far from front lines. Since last month, Ukraine has been fielding advanced rockets supplied by the West to strike behind Russian lines. The overnight explosions in Crimea and Belgorod were beyond the range of ammunition Western countries have acknowledged sending so far.

### [U.N. chief urges more effort to ensure access to Ukrainian grain \(Reuters\)](#)

U.N. Secretary-General Antonio Guterres said on Friday there was still much more to do to ensure full global access to Ukrainian food products and Russian food and fertilisers after a U.N.-brokered food export deal. At a briefing in Ukraine's Black Sea port of Odesa, Guterres said developing countries needed help to purchase such grain and called for unimpeded access to global markets for Russian food and fertilisers which are not subject to sanctions. "This is an agreement between two parties locked in bitter conflict. It is unprecedented in scope and scale. But there is still a long way to go on many fronts," he said. "It is time for massive and generous support so developing countries can purchase the food from this and other ports – and people can buy it," he said.

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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