

Market Guide

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Both of the aforementioned are methods through which companies can list their shares to give the public an opportunity to gain an ownership stake, however, they differ. During an Initial Public Offering (IPO), a private corporation sells existing or new shares to the public for the first time. The shares are then listed on an exchange, such as the Jamaica Stock Exchange, following the success of the sale. In contrast, during a Listing by Introduction, a private company lists its existing shares on a stock exchange to create a secondary market for the existing shareholders to trade the shares. In the latter, there is no sale of shares to the public prior to its listing.

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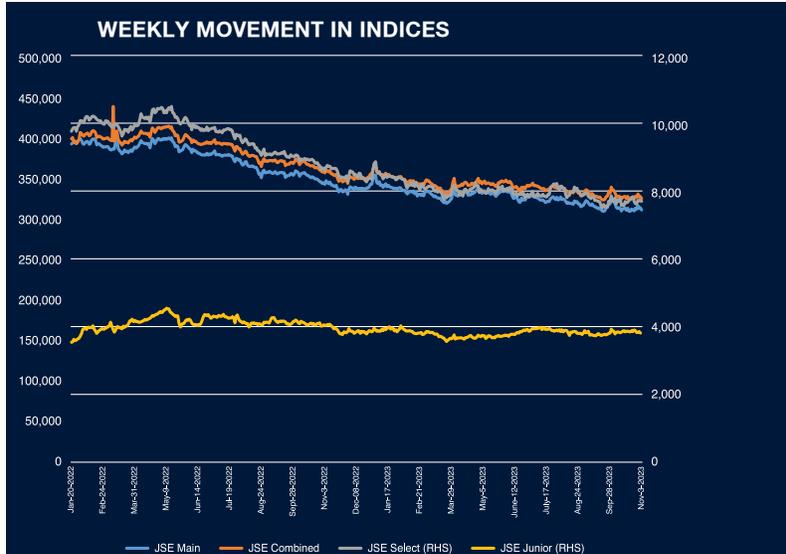
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Economic Resilience Prevails Despite High Interest Rates, But Risks Persist

Like Dorothy in ‘The Wizard of Oz’ who navigated the challenges of Oz, only to discover her strength, the global economy faced its own Yellow Brick Road of challenges and displayed its resilience so far this year. Amid a tumultuous global backdrop during the first three quarters of 2023—from Russia’s continued incursion on Ukraine to bank failures in the USA, cost-of-living pressures, to the recent upheaval in the Middle East—the world’s economic tenacity has shone through. To the surprise of many, global growth has outpaced expectations, and has thus far staved off the recession that was forecasted to start this year. While inflation, appears to have moderated, it still has not settled into the target ranges set by global central banks. Their continued tight monetary policy and sentiments indicate that they are not convinced the battle against inflation is truly over. However, despite this, the IMF kept its global growth projections unchanged at 3.0% in October 2023. Furthermore, despite the challenges in the external and local environment, the local economy has also shown its mettle. Thanks to the robust recovery in tourism and the reopening of the Jamalco bauxite plant, economic activity has continued to expand for the first half of the year. The growth witnessed, both globally and locally, showcases their resilience. However, while 2023 has been a year of surprises and adaptability, risks remain and the forecast is for growth to slow in 2024.

Skirting Recession in 2023; Easing Inflation; Rates Higher for Longer

The IMF, in its October 2023 edition of the World Economic Outlook (WEO), predicted that the world economy would grow 3.0% this year and 2.9% in 2024, unchanged from its July 2023 update. This comes despite the risks associated with tighter credit conditions, inflation and geopolitical conflicts. The U.S. economy – which was expected to have entered into a recession this year, amidst all the challenges, is set to see growth of 2.1% in 2023 to 1.5% in 2024. This optimistic revision has been echoed twice since the start of the year and is 0.5 percentage points and 0.3 percentage points higher than the IMF outlook in April and July, respectively. The economy’s recent performance has consistently exceeded the prior expectations, as the forecast was for there to have been a recession by now. Instead, the US economy outsized growth for Q3 2023 of 4.9% at a seasonally adjusted annual rate and above the consensus forecast of 4.5%, which is a testament to its resilience. Growth in consumer spending, private inventory investments and local government expenditure have been the main drivers of growth. Although the high inflation backdrop continues to pose challenges, there is a glimmer of hope. Underlying U.S. inflation continued to moderate in September, with the annual rise in prices excluding food and energy remaining below 4.0% for the second consecutive month in more than two years¹. While this is above the Fed’s 2% target, it offers a glimmer of optimism in the monetary



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	327,354.97	-0.85%	-12.1%
Main Market Index	312,866.71	-0.80%	-11.2%
Select Index	7,768.45	0.93%	-12.7%
Junior Market Index	3,873.18	-1.21%	-2.8%

WINNERS & LOSERS FOR THE WEEK ENDED NOV. 3, 2023

	\$ Change	% Change
TTECH Ltd	+\$0.47	+ 25.13%
CAC 2000	+\$0.90	+22.50%
JMMB Group Limited 7.25%	-\$0.42	- 17.36%
JMMB Group 5.50% FR USD CR	-\$0.34	-17.04%

MARKET OVERVIEW

Trading activity for the week ended November 3, 2023, reverted to its downward trajectory, after a noteworthy disruption of the trend seen in the prior week. Last week’s trading session ended with 6 out of the 9 indices declining. The JSE Cross-Listed Index had the largest week-over-week (WoW) depreciation of 5.37% followed by the JSE Manufacturing and Distribution Index with a WoW depreciation of 1.64% and the JSE Junior Market Index at 1.21%. The largest week-on-week appreciation was the JSE USD Equities Index (2.20%), followed by the JSE Select Index (0.93%). Lasco Manufacturing Ltd (LASM) (-5.06%), Fosrich Company Limited (-6.80%), and Future Energy Source Company (-5.56%) primarily drove the falloff in the JSE Junior Index, and LASM and FESCO also contributed to the decline in the JSE Manufacturing and Distribution Index. On the other hand, Lumber Depot Limited (+7.17%) and Radio Jamaica Limited (+1.33%) were the main contributors to the rise in the JSE Select Index. There was no direct news to support the price changes except for Fosrich which released their financial statements for the third quarter ended September 30, 2023, the prior week. The company noted higher cost of sales and administrative expenses primarily due to increased costs associated with sales, staff-related costs, insurance policy renewal rates and depreciation expenses which resulted in a net comprehensive loss of \$27,030,445 in comparison to the net income of \$89,907,617 in the previous corresponding period. This depressed Q3 performance could have led to the decline in investor sentiments and hence the decline in stock price.

Notably, on October 27, the Statistical Institute of Jamaica released its Producer Price Index (PPI) results for September 2023, revealing an increase in prices during that period. Output prices for producers in the Mining and Quarrying industry increased by 0.1% for September 2023, while prices in the Manufacturing industry went up by 1.2%, due mainly to higher fuel prices on the international market. The recent decision by OPEC+ to limit oil supply might result in a further increase in the PPI for October as this reduction in supply could lead to increased expenses related to transportation and electricity bearing negatively on producers’ bottom line. Higher fuel prices may also result in less disposable income for consumers and also negatively impact investor sentiments thus influencing adverse short-term stock price movements.

1 The consumer price index rose 3.7% in the 12 months through September 2023, unchanged from August (U.S. Bureau of Labor Statistics)

policy outlook. The battle against inflation is, however, far from being won. As such, the Federal Reserve like the Bank of Jamaica, is still contending with sticky core inflation and interest rates are expected to be higher for longer with a 12th rate hike remaining on the table possibly for December 2023. Goldman Sachs anticipates the potential for rate cuts in Q2 2024, and that is contingent upon inflation's downward trend. Furthermore, on September 23 it lowered its probability that a U.S. recession would start in the next 12 months to 15% from an earlier 20%, given continued positive inflation and labour market data. Mirroring the US' resilience, the United Kingdom, initially anticipated to be engulfed by a recession due to elevated inflation, managed to circumvent this, growing 0.3% and 0.2% in Q1 and Q2 2023, respectively. Growth was largely driven by an increase in the production sector, while also reflecting falling input prices relieving pressure on manufacturers. Growth was however tempered by the effect that inflation had on household income. Furthermore, the IMF revised the UK's GDP forecast twice since the start of 2023 and is now projecting 0.5% growth for 2023 and 0.6% for 2024. This positive shift is underpinned by increases in manufacturing and consumer and government spending.

Local Economy Continues to Ride High On Tourism Despite Risks

Jamaica has mirrored the resilience witnessed on the world stage, as economic activity continues to benefit from the strength of our major trading partners as well as developments locally. GDP was estimated to have grown by 4.2%² and 1.5%³ during Q1 and Q2 of 2023. Growth was attributed to increased capacity utilization in

the Mining & Quarrying industry following the resumption of activities at the Jamalco Alumina plant, consumer demand spurred by higher levels of employment⁴ and business and consumer confidence levels relative to the corresponding quarter of 2022. Increased demand originating from the Hotels & Restaurants industry and increased external demand, particularly for tourism, as the economies of Jamaica's main trading partners expanded were also major growth drivers. This is despite the risks from the external environment and elevated domestic inflation⁵ eroding consumer spending and the impact of higher interest rates on consumption and investment. Going forward, the IMF expects the local economy to grow 2% in 2023, due to the effect of drought on the agriculture sector and the effect of inflation on household income, before decelerating to 1.8% in 2024. However, the World Bank offers a more optimistic perspective, projecting 2.3% this year, an upward revision from their earlier forecast of 2%. Moreover, it anticipates a 2% GDP growth for 2024 and 1.4% for 2025. Continued robustness in tourist arrivals, increased private consumption supported by higher wages and employment and the resumption of Jamalco are forecast to underpin growth. Growth will also be supported by some improvements in agriculture and manufacturing production. However, drought conditions that had reduced agriculture output and water production could soften growth in 2023.

While the global narrative of 2023 has been predominantly one of resilience, there are dark clouds on the horizon. Risks such as the potential spike in energy prices, due to the Middle East conflict and OPEC+ oil production cuts, and, more recently, the non-renewal of the Russia-Ukraine grain export

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agreement, pose substantial threats that could cause inflationary pressures to persist and central banks to raise interest rates further. For Jamaica, these global challenges have direct and indirect significance. Higher energy and food prices might strain consumer disposable incomes, potentially dampening consumer spending and affecting sectors, such as agriculture, manufacturing and tourism, that are crucial to our economy. The global food shortage, intensified by India's rice export restrictions, may compound local challenges, especially given the recent drought conditions impacting our agriculture sector. The resultant inflationary pressures from such food shortages could prompt central banks to maintain or even raise interest rates higher than currently projected. A prolonged period of interest rates can stifle economic growth, stifling investment activities for businesses and depressing consumer spending. A slowdown in growth in our major trading partners, or worse a recession, could also weigh on local economic activity. As we navigate the uncertainties on the horizon, the country's progress in improving its fiscal position and implementing sound institutional frameworks should give it some capacity and foster some resilience in managing the risks and mitigating the impact on growth.

2 STATIN

3 PIOJ

4 The unemployment rate decreased by 1.5 percentage points to 4.5% relative to April 2022.

5 The point-to-point inflation rate, September 2022 to September 2023, was 5.9%, lower than the point to point of 6.8% recorded for August 2023. The main contributors were increases in the divisions: 'Food and Non-Alcoholic Beverages' and 'Restaurants and Accommodations Services'.

Foreign Exchange Market

For the week ending November 3, 2023, the Jamaican dollar depreciated by 0.36% relative to the USD (week-over-week), to close the week at a selling rate of J\$157.17. This depreciation was primarily due to overwhelming demand for and low supply of the USD. At this time of year, the Jamaican Dollar tends to weaken as retailers buy up goods for stores in anticipation of increased commercial activity as we approach the Yuletide season.

Selling	Close: 27/10/23	Close: 03/11/23	Change
J\$/US\$1	\$156.60	\$157.17	\$0.57
J\$/CDN\$1	\$113.50	\$114.72	\$1.22
J\$/GBP£1	\$189.86	\$191.15	\$1.29

Global Bond Prices

The Federal Open Market Committee (FOMC) held its target range for the federal funds rate steady at 5.25% to 5.5% at its last meeting on Wednesday, November 1, 2023, amid a backdrop of a growing economy, labour market, and inflation that is trending down but still well above the central bank's target. This was the second consecutive meeting that the FOMC chose to hold, following a string of 11 rate hikes, including four in 2023. The decision to leave the target range for the benchmark federal funds rate unchanged, the highest since 2001, is part of a strategy to slow the pace of rate increases as the central bank nears the end of its tightening campaign. Notably, tighter financial and credit conditions for households and businesses are likely to weigh on economic activity, hiring, and inflation. However, the Fed expressed that though the extent of these effects is unknown, it remains highly attentive to inflation risks. That being said, one more interest rate hike is still possible before the end of the year as the Fed's Chair stressed that the central bank hasn't made any decisions yet for its December meeting. Overall, there are some expectations for an additional 25 bps rate hike in the remainder of the year, but fewer rate cuts in 2024 as the Fed chair also noted that the central bank needs to see "below-trend growth" to be assured that inflation is on track to its 2% inflation target. On the other hand, recent economic indicators imply that the economy is slowing healthily, with new job counts below expectations which supports the view that growth will slow in the coming quarters leading to a soft landing as hoped for by the Fed and decreasing the probability of a December rate increase.

The market was quick to react to the Fed outlook. 10-year Treasury yield slid lower last week at 4.678% from 4.892% as investors evaluated the Fed news as well as weekly jobless claims data, which came below expectations. The jobs report was uniformly discouraging for job seekers and less strong than that reported in September. Total payrolls increased just 150,000, below the 180,000 forecast with the

prior 2 months revised lower by a total of 101,000. Furthermore, household reports showed an uptick in unemployment to a 21-month high of 3.88% and participation eases. The jobless rate has reached a tipping point that usually triggers nonlinear increases – historically, a telltale sign of recession, with very few false positives. While not a definitive sign of a downturn,

Bonds	Current Rating	Indicative Price	Yield	Recommendation
ALSEA (7.75%) 2026	Ba3/Stable	102.3	6.91%	BUY
BACR (5.75%) 2026	BBB+/Stable	101.25	5.26%	BUY
BERMUDA (3.72%) 2027	A2/Stable	95.75	5.17%	BUY
CHTR (4.2%) 2028	Ba1/Stable	94.00	5.78%	BUY
DOMREP (5.5%) 2025	BB/STABLE	101.5	4.22%	BUY
DOMREP (5.5%) 2029	BB/STABLE	93.00	7.11%	BUY
DOMREP (5.88%) 2024	BB/STABLE	101.00	3.56%	BUY
DOMREP (5.95%) 2027	BB/STABLE	99.00	6.29%	BUY
DOMREP (6%) 2033	BB/STABLE	91.5	7.27%	BUY
DOMREP (6.88%) 2026	BB/STABLE	102.0	5.90%	BUY
DOMREP (8.63%) 2027	BB/STABLE	105.9	6.68%	BUY
DOMREP (6%) 2028	BB/STABLE	97.00	6.75%	BUY
FRICON (7.7%) 2028	B+/Stable	85.00	11.95%	BUY
TPHLLT (9%) 2029	BB/STABLE	106.5	7.58%	BUY
JAMAN (7.63%) 2025N	BB-/Stable	104	5.08%	BUY
NETFLIX (5.88%) 2028	BBB/Stable	102.5	5.30%	BUY
PYPL (2.85%) 2029	A-/Stable	87.25	5.40%	BUY
PRIOBZ (6.13%) 2026	BB-/Stable	98.00	6.98%	BUY
PRMRPA (10.75%) 2028	B+/Positive	106.3	9.09%	BUY
SFC (5.30%) 2028	BBB/Stable	95.25	6.53%	BUY
TRAJAM (5.75%) 2036	BB-/Stable	85.75	7.48%	BUY
BARBAD (6.50%) 2029	B/Positive	96.25	7.29%	HOLD
DOMREP (6.60%) 2024	BB/STABLE	102.25	-3.51%	HOLD

Bonds	Current Rating	Indicative Price	Yield	Recommendation
GSYNC (5.375%) 2028	Ba3/Stable	100.5	4.88%	HOLD
INKIA (5.88%) 2027	Ba2/Stable	97.75	6.52%	HOLD
NFE (6.75%) 2025	BB-/Stable	96.25	8.99%	HOLD
NFE 2026 (6.50%)	BB-/Stable	96.25	9.73%	HOLD
PANAMA (3.75%) 2025	BBB/Negative	99.00	4.52%	HOLD
PANAMA (3.88%) 2028	BBB/Negative	92.5	5.85%	HOLD
PANAMA (6.70%) 2036	BBB/Negative	97.00	7.07%	HOLD
TRITOB (5.88%) 2027	BBB-/Stable	100.75	5.64%	HOLD
TRITOB (4.50%) 2026	BBB-/Stable	98.00	5.29%	HOLD
TRITOB (4.38%) 2024	BBB-/Stable	102.00	-6.24%	HOLD
UNICMR (7.88%) 2024	BB-/Stable	102.75	0.87%	HOLD
CSOLNO (6.00%) 2027	B+/Stable	61.5	23.68%	SELL
PEMEX (5.35%) 2028	B1/Negative	83.00	10.39%	SELL

the foreign exchange market via B-FXITT last week. On the demand side, broker demand for JMD remained relatively moderate, particularly for short-term funds. Rates in the retail market have also stayed consistent on JMD placements. In the USD money market, market liquidity continued to fluctuate week over week and broker market demand for USD continues to increase for longer-tenured funds.

As it relates to money market rates, demand for money market instruments remains high with investors oversubscribing the recent BOJ auction. Additionally, the average yield from the BOJ's 30-day competitive price auction saw an increase to 9.64% versus 9.57% in the prior week. The auction was oversubscribed; bids received totalled J\$39.6Bn relative to the offer size of J\$31Bn. The highest bid rate for full allocation was 9.94%, which decreased from 9.99%, in the prior week. The next auction date for the Bank of Jamaica's 30-day CD will be held on November 8th. Finally, the GOJ has announced a tender offer for T-bills scheduled for November 8th and will settle on the 10th. The auction is set to offer a total of J\$2.2Bn in T-bills to the market. The three (3) tenors up for auction each have an offer size of J\$800Mn for the 273-day tenor and J\$700Mn for the 91-day and 182-day tenors, respectively.

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	103.00	5.78%
	2039	110.60	6.52%
	2045	110.65	6.92%

Local Corporate Bonds

Name	Maturity	Coupon	Price	Yield
BDHR	2027	8.15%	100.50	8.00%
SJPC	2032	8.85%	104.00	8.22%
PBS	2025	6.50%	101.00	6.13%

Money Market

Last week, JMD money market liquidity increased, while USD money market liquidity continued to fluctuate. As of November 3rd, a total of J\$23.7Bn was in the market, as represented by the BOJ's aggregated current balances. The aggregated closing current account balance increased by J\$13.70Bn from J\$37.4Bn week over week. Furthermore, there were no BOJ interventions in

Dates to watch this week

■ International ■ Local

November 2023					
MON	TUE	WED	THUR	FRI	SAT
06	07	08	09	10	11
US CB Employment Trends Index		BoC Summary of Deliberations	KEX Annual General Meeting	GBP QoQ GDP (Q3)	SIL Annual General Meeting
			JBG Dividend Payment (\$0.44)	GBP YoY GDP (Q3)	
				GBP MoM GDP	

Recommendations

Ticker	Closing Price (Nov 3, 2023)	P/E	Avg. Sector P/E	Current Recommendation
WISYNCO	\$20.41	15.6x	13.6x	BUY
IPCL	\$1.95	10.3x	15.0x	BUY
JBG	\$33.88	7.4x	13.6x	BUY
ECL	\$4.27	15.5x	15.5x	BUY
CAR	\$8.12	10.8x	13.6x	BUY
CPJ	\$9.57	11.9x	13.6x	BUY
FESCO	\$3.57	15.5x	14.5x	BUY
TJHUSD	\$0.02	21.7x	14.8x	BUY
TJH	\$2.59	13.7x	23.1x	BUY
KEX	\$12.30	20.0x	16.7x	BUY
LASM	\$4.69	8.8x	23.8x	BUY
LASD	\$4.26	10.0x	14.5x	BUY
MEEG	\$14.74	16.9x	31.9x	BUY
SGJ	\$34.00	6.2x	11.1x	BUY
INDIES	\$3.11	19.4x	15.0x	BUY
KW	\$28.87	14.8x	23.1x	HOLD
PBS	\$1.54	29.1x	14.8x	HOLD
SOS	\$1.70	13.6x	14.5x	HOLD
MDS	\$3.50	15.2x	15.0x	HOLD
SALF	\$3.00	18.8x	13.6x	SELL

Regional News

El Nino Phenomenon Could Pressure Vulnerable Sovereigns (Fitch Solutions)

Environmental stresses associated with El Nino weather conditions could add to the fiscal, growth, inflationary and external liquidity challenges facing vulnerable sovereigns within the region, according to Fitch Ratings. The El Nino phenomenon can be associated with unusually dry conditions in some parts of the world and with greater-than-normal levels of rain in others. Environmental conditions that dampen economic activity could hurt the credit profiles of vulnerable sovereigns that face tight access to financing or have a record of ratcheting up debt during crises.

Further, lower crop production may reduce exports or raise imports of food products, adding to external liquidity stress and possibly local inflation. The impact on hydropower output could also be economically significant. Highly rated sovereigns have more room to mitigate the effect of adverse weather conditions and their export sectors and economic activity are generally more resilient. However, they may be affected indirectly. For instance, El Nino conditions could influence prices for globally traded food commodities, affecting their inflation and monetary policy decisions. Governments can deploy subsidies or transfers to mitigate the effect of rising food prices, but this weighs on fiscal metrics. Moreover, after the COVID-19 pandemic and subsequent periods of high global inflation, many governments have less fiscal headroom. Nonetheless, the Food and Agriculture Organization of the United Nations expects global cereal production in 2023 to be slightly above the previous record in 2021. If this bears out, it should provide a buffer against the risk of disruption to output in 2024; and suggests any impact from the El Nino on global food prices in aggregate should be limited.

Latin America And The Caribbean: Securing Low Inflation (IMF)

After a strong rebound from the pandemic and continued resilience in early 2023, growth in Latin America and the Caribbean is projected to moderate from 4.1% in 2022 to 2.3% this year and remain around this rate in 2024. Furthermore, inflation is expected to converge gradually toward central banks' targets, according to the latest IMF Regional Economic Outlook report for the Western Hemisphere. "Latin

America has successfully weathered recent global shocks and showed a strong performance in 2022 and early 2023, although growth is softening. The slowdown reflects tighter policies to contain inflation and weakening external environment, including slower growth in trading partners, tighter external financing conditions, and lower commodity prices", said Rodrigo Valdes, director of the IMF's Western Hemisphere department. After reaching 7.8% in 2022, headline inflation in the region (excluding Argentina and Venezuela) is expected to decline to 5% in 2023 and to 3.6% next year, driven by weakening external and domestic demand, easing global supply constraints, and the lagged effects of currency appreciation in some countries.

The risks to the outlook appear more balanced compared to April 2023, although they remain tilted to the downside. External risks include lower growth in main trading partners, commodity price volatility, new inflationary shocks, renewed turbulence in global financial markets, and an intensification of geopolitical tensions. At the regional level, downside risks relate to a potential for reemergence of inflationary pressures and increased social tensions. Climate-related shocks also pose important challenges over the short and medium term, especially for Central America, Panama, the Dominican Republic subregion, and the Caribbean, including through their impact on outward migration. As inflation comes down and growth slows, policymakers will need to calibrate policies carefully. The swift response of the region's central banks played a key role in controlling inflation and most are well placed to move forward with gradually easing their tight monetary policy stances, although they should remain attentive to risks. "Prudent easing will continue to require a careful balance between placing inflation on a durable downward path while minimizing the risk of a prolonged period of low growth. Key to achieving the right balance is the pace of monetary easing and a proper assessment of the impact of past tightening on inflation, as monetary policy operates with lags. Central bank communication remains instrumental to the success of the disinflation effort", added Mr. Valdes.

International News

ECB Survey Sees Inflation Back Near Target By 2025 (Reuters)

Eurozone inflation will have almost fallen back to the European Central Bank's 2% target in 2025, but economic growth will remain weak and at below 1% through next year, the ECB's quarterly Survey of

Professional Forecasters showed. The ECB left interest rates unchanged last Thursday after the steepest set of hikes on record, arguing that inflation was finally back on track towards 2%, even if high energy costs continued to pose an upside risk. The survey, a key input in the bank's policy deliberation, confirmed this outlook, predicting relatively slow but persistent disinflation over the coming two years.

The survey sees consumer price growth at 2.7% next year, the same figure predicted three months ago but well below the ECB's own 3.2% expectation. The 2025 figures were meanwhile lowered to 2.1% from 2.2% and the longer-term forecast, defined as 2028, remained unchanged at 2.1%. The figures are likely to bolster market expectations that eurozone rate hikes are over after ten back-to-back hikes, and may fuel expectations that the ECB will start reversing course around mid-2024. On growth, the survey showed increasing gloom in the outlook though it differed little from the ECB's staff projections. The 2025 GDP growth forecast was cut to 0.9% from 1.1% while 2025 remained unchanged at 1.5%. Unemployment forecasts were barely changed, likely comforting policymakers, as labour market resilience will support consumption and limit the pain caused by the record-high rates.

Labour Costs Show Surprise Decline In The Third Quarter (CNBC)

In the third quarter of 2023, unit labour costs unexpectedly declined, providing some relief on the inflation front. Unit labour costs, which measure hourly compensation against productivity, fell by 0.8% on a seasonally adjusted basis. Economists had anticipated a gain of 0.7%. Over the 12 months, unit labour costs increased by 1.9%. The decline in unit labour costs was influenced by a 3.9% increase in hourly compensation, which was offset by a 4.7% rise in productivity. The productivity increases surpassed expectations, with output rising by 5.9% and hours worked increasing by 1.1%.

These developments occurred as the Federal Reserve was actively trying to combat inflation by implementing a series of interest rate increases. Fed Chair Jerome Powell noted that wage gains have decreased significantly over the past 18 months, bringing them closer to the target of 2% inflation over time. In other economic news, initial filings for unemployment benefits for the week ending on October 28 reached 217,000, representing a slight increase of 5,000 from the previous week and higher than the estimated

214,000. Continuing claims, which lag by a week, totalled 1.82 million, reflecting an increase of 35,000 and exceeding the estimated 1.81 million.

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