

▶ Market Guide

THIS ISSUE

Healthcare Sector Stocks: on the Mend or
Running a Fever?

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“The single greatest edge an investor can have
is a long-term orientation.” - Seth Klarman

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Healthcare Sector Stocks: on the Mend or Running a Fever?

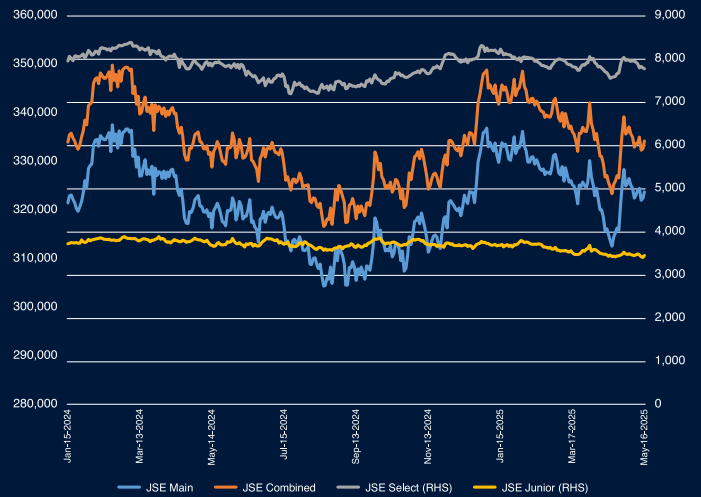
The Healthcare Sector is typically viewed as defensive in financial markets, due to its resilience during market downturns. The demand for health care, including routine diagnostics, chronic disease management, and pharmaceuticals, are driven more by the urgent, ongoing needs of the population and less by economic booms and busts. However, while this defensive nature has translated into strong topline growth for locally listed healthcare stocks, their earnings performances have been anything but immune to operational setbacks and rising costs. Over the last five years, revenues have trended up, driven by factors like operational scale-up, higher patient volumes, and expanded diagnostic services. However, earnings for JSE-listed medical services providers and pharmaceutical distributors have deteriorated sharply – down nearly 65.0% – as they grappled with an array of ailments, including equipment downtime, stiff competition, and soaring expenses. Yet, amid these weaker financial vitals, a new prescription may be taking effect. Several firms have launched operational treatments to restore profitability. This week, we examine how players in the sector, ranging from diagnostics service providers to pharmaceutical distributors, have performed over the past five years, what they're doing to turn things around, and whether the medium to long-term prognosis will be more favourable.

Given the defensive nature of the healthcare sector, revenue growth among JSE-listed entities within the sector, including

medical service providers and pharmaceutical distributors¹, has seen strong sustained growth. (See chart 1). Over the last five years², aggregate revenues for healthcare companies improved at a compound annual growth rate (CAGR) of 19.2% to J\$8.97Mn. This growth was bolstered by expanded diagnostic capacity, higher patient volumes, and service diversification among medical service providers (ELITE, IPCL, GWEST), while pharmaceutical distributors (MDS, INDIES, RAWILL) benefited from increased demand for chronic care products, broader distribution networks, and operational scale-up.

However, despite strong demand for these services, top-line growth did not translate to robust earnings³. During the 5-year period, the sector's net profit⁴ (attributable to shareholders) shrank from J\$190.35Mn in calendar year 2019 (CY2019) to J\$66.82Mn in CY2024, a CAGR of -18.9%. A closer diagnostic reveals that equipment downtime, elevated direct costs, and intensifying competitive pressures were at the root of the sector's profit ailments. Among the sector's underperformers were ELITE, MDS, and GWEST, which posted negative five-year earnings CAGRs of 19.0%, 227.4%, and 18.9%, respectively. INDIES was the only company that saw growth in the sector with a 5-year CAGR of 16.3%. Operational inefficiencies also played a major role in reducing profitability. Sector-wide Selling, General & Administrative (SG&A) expenses ballooned from J\$848.4Mn in CY2019 to J\$2.81Bn in CY2024, further amplifying the pressure on the sector's bottom-line. Consequently, CY2024's net profit margins were below

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	334,126.70	0.17%	-3.96%
Main Market Index	323,655.85	0.22%	-3.62%
Select Index	7,762.53	-1.98%	-6.30%
Junior Market Index	3,441.44	-0.46%	-7.86%

WINNERS & LOSERS FOR THE WEEK ENDED MAY 16, 2025

	\$ Change	% Change
ISP	+\$2.80	+32.18%
JETCON	+\$0.18	+19.57%
K.L.E.	-\$0.23	-20.76%
MDS	-\$0.28	-16.28%

MARKET OVERVIEW

Last week, the broader market performance (captured by the Combined Index) was marginally positive, up 0.22%. However, with 63 of the 128 traded stocks advancing, 54 declining, and 11 remaining unchanged, the performances of the individual indices were mixed. Five (5) of the major indices declined and four (4) advanced.

The JSE Select Index (-1.98%) and the Manufacturing and Distribution Index (-1.53%) led the decliners. For the Select Index, NCB Financial Group Limited (NCBFG; -6.3%) was the primary contributor to its fall off. The decline occurred despite the release of its unaudited results for the six-months ended March 31, 2025, on May 9, reflecting a 107.6% year-over-year (YoY) increase in net profit to J\$22.19Bn. This performance was largely driven by a one-off gain of J\$15.12Bn from the sale of Thoma Exploitatie B.V., a Netherlands-based insurance brokerage subsidiary of Guardian Holdings Limited (GHL), its main insurance arm. For the Manufacturing and Distribution Index, Jamaica Broilers Group Ltd. (JBG; -5.7%) and A.S. Bryden & Sons Holdings Ltd. (ASBH; -6.2%) were the main contributors to its decline. Contrary to the price decline, A.S. Bryden & Sons Holdings Limited reported a 17.3% increase in net profit to TT\$21.98Mn. It is likely that investors were underwhelmed by bottom-line performance given the fact that revenues increased by 62.6%, supported by solid performance in its consumer goods segment and recent acquisitions made in 2024¹. Meanwhile, the advancers were led by the JSE Cross-Listed Index (+4.02%) as well as the Financial Index (+1.97%). Guardian Holdings Ltd. (+15.4%), was the major driver of the Cross-Listed index, likely reflecting positive investor sentiment amid the higher profits following the Thoma Exploitatie B.V. sales and declaration of a TT\$0.21 per share dividend payable June 11, 2025. Guardian Holdings' stock appreciation remained a key driver of stock index movements, contributing significantly to the rise in the Financial Index alongside a 7.8% increase in Scotia Group Jamaica's share price.

¹ Medical Service Providers: ELITE Diagnostic (ELITE), Image Plus Consultants Ltd. (IPCL), and GWEST Corporation (GWEST) IPharmaceutical: Medical Disposables and Supplies (MDS), Indies Pharma (INDIES) and RA Williams (RAWILL)

² 5-year refers to the calendar year period between December 2020 and December 2024. This was done to achieve a standardised timeframe with consistent economic conditions, market trends, and industry-specific factors across all companies and sectors.

³ Earnings refers to the Jamaican dollar net income to common shareholders. Earnings are based on the calendar year, not companies' financial years.

⁴ Unless otherwise stated, net profit refers to net profit attributable to shareholders.

¹ Caribbean Producers (Jamaica) Ltd. And Stansfeld Scott Barbados Ltd. (SSBL)

CY2019 levels for all companies except INDIES, which saw its net profit margin rise over the period.

In response to weakened efficiency and margins, the sector has been taking a new prescription centered on cost containment, capacity upgrades, and automation to resuscitate earnings, though each dosage carries its own set of side effects. ELITE and IPCL have expanded their diagnostic capacity with new high-value imaging equipment to reduce downtime and boost throughput. While these upgrades are key to reducing revenue leakage and improving patient wait times, they come with high capital costs, delayed payback periods, and exposure to competitive pricing and technological obsolescence. Meanwhile, MDS and RAWILL have enhanced distribution logistics and cost controls. Still, efficiency benefits could be undercut by fuel price volatility which would directly increase transportation costs, particularly for long-haul deliveries or island-wide distribution routes. Additionally, demand shifts resulting in a decline in demand for certain fast-moving consumer goods could lead to underutilised delivery fleets or excess inventory, offsetting the benefits of recent logistical improvements. GWEST has focused on maximising its rental income through better space utilisation, but this approach is reliant on consistent tenant demand. Lastly, INDIES ramped up automation to scale production and lower unit costs, but execution risks and potential supply chain disruptions could limit gains. Despite the associated risks, these moves are promising; but the success of these varied courses of treatment will depend not just on cost discipline but on strategic and structured execution, improved service quality, and stronger customer retention to effectively translate into sustained earnings growth.

A check-up on four of the six healthcare stocks during the most recent earnings season reveals mixed progress in response to the sector's profitability treatments. Buoyed by 9.0% revenue growth, ELITE continues to show signs of recovery, swinging from losses to a net profit of J\$8.68Mn for its nine-month period ended March 31, 2025. The company's ongoing cost-reduction strategies also appear to be gaining traction, supporting the case for continued improvement. INDIES also reported healthy performance, with earnings up 18.7% to J\$74.19Mn, driven by topline expansion (+20.8%) and

Only those companies that effectively align investment strategies with measurable outcomes, enforce discipline in cost management, and pursue smart market expansion will thrive. To harness this demand, sector players must remain agile, sustaining strategic investments, exploring targeted market expansion, and adopting innovative approaches such as external talent sourcing and digital transformation to boost

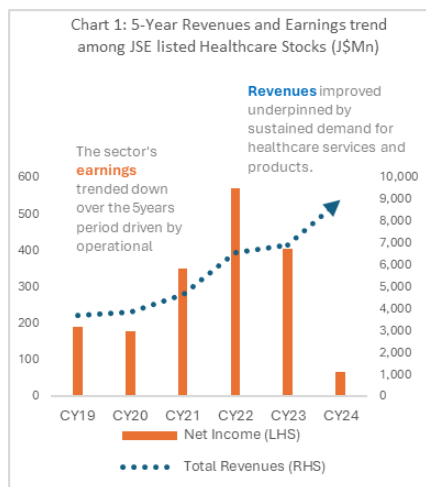
lower costs (-6.1%). However, IPCL and RAWILL saw their earnings limping. For the financial year ended February 28, 2025, IPCL's net profit fell 79.3% year-over-year to J\$43.93Mn, down from J\$211.93Mn in FY2023, reflecting a combination of lower revenues and rising expenses. Revenue declined 9.6% to \$1.08Bn due to reduced diagnostic volumes and pricing pressures, particularly for X-ray and CT scan services. Notably, depreciation and amortisation costs nearly doubled to J\$108.4Mn, stemming from the ramp-up of high-value imaging equipment such as Magnetic Resonance Imaging (MRI) and mammography machines. Nevertheless, newer imaging modalities are gaining traction, now accounting for over 9.0% of total scans, and management is actively exploring inorganic growth opportunities to drive earnings growth. Meanwhile, RAWILL's net profit dropped 81.9% to J\$21.76Mn for the nine-month period ended January 31, 2025, primarily due to a 26.1% increase in indirect costs. Its operating expenses rose to 40.5% of revenue, up from 33.9% the previous year, reflecting increased costs associated with its New Brunswick Village location, depreciation on acquired assets, and higher staffing and distribution outlays.

Looking ahead, the prognosis for Jamaica's healthcare sector appears stable, though restoring healthy margins and solid profitability will require companies to better manage competitive and cost pressures. The medium to long-term potential for Jamaica's healthcare sector remains compelling driven by demographic trends such as an ageing population and rising chronic conditions (e.g., diabetes, hypertension), which continue to drive demand for diagnostics and pharmaceuticals. According to the

Planning Institute of Jamaica (PIOJ), by 2050, 18.5% of Jamaica's population will be over 65, surpassing the number of children, underscoring the need for strategic planning in healthcare and social services. These trends augur well for companies in the health sector and companies like INDIES, MDS, ELITE, and IPCL. Elite's investments in energy efficiency, teleradiology, and upgraded equipment should help boost profitability and sustain margins. IPCL's push into higher-end modalities like MRI and mammography should continue supporting service diversification and revenue stability, positioning it to meet future demand. Similarly, INDIES stands to benefit from sustained pharmaceutical demand driven by chronic disease prevalence. Notably, in the 1st quarter of this fiscal year, INDIES successfully appointed a distributor for its newly approved drug Regadenoson⁵ by the Food and Drug Administration (USFDA) for distribution in the United States. The product is set to launch in Q2 FY2025 and is expected to be a major revenue catalyst with strong return potential for investors.

Despite challenges facing health sector stocks, the prognosis is favourable particularly given the resilient demand for healthcare services under varying macroeconomic conditions. However, the sector's defensive nature alone won't insulate companies from execution risks, competitive pressures and increased costs. Only those companies that effectively align investment strategies with measurable outcomes, enforce discipline in cost management, and pursue smart market expansion will thrive. To harness this demand, sector players must remain agile, sustaining strategic investments, exploring targeted market expansion, and adopting innovative approaches such as external talent sourcing and digital transformation to boost efficiency. If companies can effectively balance cost containment to support the flow through of revenue growth to the bottom-line, Jamaica's health sector stands well-positioned to deliver healthy, sustainable returns for investors in the years ahead. The prescription for sectoral recovery is now clearer, but whether all players take the dosage remains to be seen.

⁵ Regadenoson injection is a pharmacologic stress agent indicated for radionuclide myocardial perfusion imaging (MPI) in patients unable to undergo adequate exercise stress.



Foreign Exchange Market

For the week ending May 16, 2025, the Jamaican dollar appreciated by 0.64%, with the USD selling rate decreasing from a high of J\$160.19 on May 9, 2025, to J\$159.16 on May 16, 2025. The week-over-week appreciation was supported by four (4) Bank of Jamaica (BOJ) interventions through its B-FXITT Programme. The BOJ intervened in the market on May 13th, May 14th, May 15th, and May 16th, injecting a total of US\$120Mn. The interventions aided in stabilising the exchange rate following weeks of depreciation.

Selling	Close: 09/05/25	Close: 16/05/25	Change
J\$/US\$1	\$160.19	\$159.16	(\$1.03)
J\$/CDN\$1	\$115.40	\$115.21	(\$0.19)
J\$/GBP£1	\$212.30	\$211.70	(\$0.60)

Global Bond Prices

The global bond market digested several economic news including softer-than-expected inflation and the US sovereign downgrade by Moody's. Inflation was slightly lower than expected in April as President Donald Trump's tariffs just began hitting the slowing U.S. economy, according to a Labor Department report on Tuesday. April's Consumer Price Index (CPI) print showed headline inflation rising by 0.2% month-over-month, bringing the annual rate to 2.3%, the lowest reading since February 2021. However, markets responded with muted optimism, as inflation risks remain. Analysts cautioned that the subdued reading may not reflect the trend ahead, with businesses potentially having front-loaded purchases to get ahead of tariffs, some of which were paused or rolled back, while others are still being absorbed by retailers.

Therefore, while the April CPI figures were relatively tame, the Trump tariffs remain a wild card in the inflation picture, depending on where negotiations go between now and the summer.

Markets were further unsettled by Moody's downgrade of the U.S. sovereign credit rating, the last of the three major agencies to strip the country of its top-tier status. The downgrade cited America's deteriorating fiscal trajectory, with debt now exceeding US\$36 trillion and bipartisan failure to enact meaningful deficit reduction. The move triggered renewed fears that "bond vigilantes"—investors who sell off debt in protest of poor fiscal governance—may demand higher yields, especially on longer-dated Treasuries. Accordingly, the 10-year Treasury yield climbed to 4.441%, up from 4.382% the prior week. The performance of EM sovereign bonds in the Caribbean was mixed, with some issuers posting notable week-over-week gains. Bahamian bonds led the region with strong performance, while Jamaican and Dominican Republic bonds were more varied—shorter-dated maturities traded flat, whereas longer-dated bonds saw moderate gains. Other issuers, including Costa Rica, Panama, and Trinidad & Tobago, recorded minor increases across their bond curves.

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
BAHAMA (6.00%) 2028	BB-/Stable	100.50	5.84%	BUY
BHAMA (6.95%) 2029	BB-/Stable	99.50	7.08%	BUY
BAHAMA (8.95%) 2032	BB-/Stable	107.25	7.64%	BUY
BAHAMA (6.63%) 2033	BB-/Stable	93.00	7.82%	BUY
BERMUD (4.75%) 2029	A2/Stable	102.50	4.02%	BUY
DOMREP (5.5%) 2029	BB/Stable	102.50	4.76%	BUY
DOMREP (8.625%) 2027	BB/Stable	106.50	4.99%	BUY
DOMREP (5.95%) 2027	BB/Stable	104.00	3.45%	BUY
DOMREP (6.95%) 2037 (NEW ISSUE)⁶	BB/Stable	103.25	6.49%	BUY
GEPARK (8.75%) 2030	B+/Stable	85.00	13.12%	BUY
GM (5.40%) 2029	Baa2/Stable	102.25	4.57%	BUY
JAMAN (6.75%) 2028	BB-/Positive	106.75	4.27%	BUY

⁶ Issuer- Govt. of the Dominican Republic, Industry- Sovereign, Type-Senior Unsecured, Callable-Yes, Coupon Rate- 6.95%, Coupon Payment- Semi-annually, Maturity- March 15, 2037, Risk Profile - Moderate

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
JAMAN (8.50%) 2036	BB-/ Positive	121.00	5.84%	BUY
KINGAIR (6.75%) 2036	BB/Stable	102.00	6.50%	BUY
LTMCI (7.88%) 20230	BB/Stable	103.00	7.14%	BUY
MARGRO (6.404%) 2029	BBB-/ Positive	104.00	5.38%	BUY
MINSUR (4.5%) 2031	BBB-/ Stable	94.75	5.48%	BUY
NFLX (5.88%) 2028	A3/ Positive	107.50	3.56%	BUY
NFLX (4.875%) 2030	A3/ Positive	104.25	3.94%	BUY
NRG (6.00%) 2033	BB+/ Stable	103.00	5.51%	BUY
NRG (6.25%) 2034	BB+/ Stable	104.75	5.59%	BUY
POSWDL (7.875%) 2030 (NEW ISSUE)⁷	BB/Stable	99.50	7.93%	BUY
PYPL (2.85%) 2029	A-/Stable	96.50	3.73%	BUY
SFC (5.30%) 2028	BBB/ Positive	101.75	4.66%	BUY
TPHLTT (9.00%) 2029	Ba3/Stable	104.75	7.65%	BUY
TRAJAM (5.75%) 2036	BB-/ Positive	96.25	6.21%	BUY
TRITOB (4.5%) 2026	BBB-/ Stable	102.25	2.56%	BUY
NFE (6.50%) 2026	Caa1/ Negative	82.75	22.20%	SELL
CSOLNO (6.00%) 2027	B+/Stable	16.50	550.87%	SELL
BANORT (5.75%) 2031	Baa2/ Positive	99.25	1.35%	SELL

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	103.45	4.85%
	2039	115.07	6.20%
	2045	114.30	6.58%

*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	6.50%	100.35	8.02%
SJPC	2032	8.15%	102.50	8.37%
PBS	2025	8.85%	100.85	6.03%

Money Market

Last week, liquidity in the JMD money market declined, as measured by the aggregated current balances held by Deposit-Taking Institutions (DTIs). As at May 16, 2025, the total aggregate current balance amounted to J\$49.77Bn, marking a 26.5% decrease compared to the previous week.

Demand for money market instruments was strong, as evidenced by the oversubscription in the weekly Bank of Jamaica's (BOJ) 30-day Certificate of Deposit (CD) Auctions. The average yield on the 30-day CD Auction fell to 5.77% from 5.91% the week prior. Total bids amounted to J\$33.5Bn relative to an issue size of J\$15.0Bn, implying a bid-to-offer ratio of 2.23x. While the previous week's 1.59x bid-to-offer was lower, the bid amount was higher at J\$31.0Bn. The BOJ is expected to re-enter the market in late May, based on their schedule for this fiscal year.

The next BOJ policy decision is May 20, 2025, and it is expected that the BOJ will continue to maintain the current policy rate of 6.0%. Although local inflation remains within the target range, persistent inflation in the US and global economic uncertainties remain a concern.

⁷ Issuer- Port of Spain Waterfront Development Limited, Industry- Infrastructure, Type- Secured, Callable-Yes, Coupon Rate- 7.876%, Coupon Payment- Semi-annually, Maturity- August 19, 2040, Risk Profile - **Moderate**

Dates to watch this week

■ International ■ Local

May 2025				
MON	TUE	WED	THUR	FRI
19	20	21	22	23
	KEY Take-Over Bid Offer		Tropical Battery APO Opening Date SJ Annual General Meeting	
		UK CPI (YoY) (Apr)	US Initial Jobless Claims	

Recommendations

Ticker	Closing Price (May 20, 2025)	P/E	Avg. Sector P/E	Current Recommendation
CAR	\$16.10	11.1x	16.3x	BUY
GK	\$71.61	8.4x	11.4x	BUY
SVL	\$19.43	35.2x	35.2x	BUY
TJH	\$3.67	9.1x	15.4x	BUY
TJHUSD	\$0.024	9.4x	10.8x	BUY

Additional Public Offer	Closing Price (May 20, 2025)	P/E	Avg. Sector P/E	Current Recommendation
TROPICAL	\$2.00	-	32.1x	PARTICIPATE (NEW!)

Regional News

Brazil Hopes China, Other Countries May Loosen Trade Bans Over Bird Flu

Brazil's poultry industry is reeling from the country's first bird flu outbreak on a commercial farm, but officials hope China and other major consumers will soon loosen countrywide bans on importing Brazil's chicken. If the world's largest chicken exporter can contain the outbreak in Brazil's southernmost state, then China could follow the example of Japan, Saudi Arabia and the United Arab Emirates to limit bans to only that state's chicken, government officials said. Brazil's chicken exports account for more than 35% of the global trade, making a nationwide ban painful not just for Brazilian farmers but also major importers. Brazil provides over half of China's chicken imports, Brazilian Agriculture Minister Carlos Favaro said, with much of the rest coming from the United States. A devastating U.S. bird flu outbreak and wider trade tensions with Washington have limited Chinese appetite for American poultry. China now blocks poultry from more than 40 U.S. states over bird flu, according to U.S. government data. Brazilian farmers are also counting on warm relations between President Luiz Inacio Lula da Silva and Chinese President Xi Jinping to ease the poultry trade ban. Renan Augusto Araujo, a senior market analyst at S&P Global Commodity Insights, said the outbreak threatened to reduce Brazilian chicken exports by 10% to 20%, depending on how quickly the outbreak is contained and consumers loosen trade bans. The Brazilian state of Rio Grande do Sul, where the outbreak was flagged on Friday, is the country's No. 3 chicken producer and had already suspended exports to China due to an isolated outbreak of Newcastle Disease last year. The European Union and South Korea are among other major importers who have banned Brazilian chicken. In the event of a wider bird flu outbreak spreading across Brazil, as it did in the United States, officials and analysts said outlooks could get dimmer. That scenario would raise U.S. hopes for China to ease restrictions on American poultry.

Source ~ Reuters

Costa Rica's Foreign Investment Falls to Decade Low

Costa Rica experienced a sharp decline in foreign direct investment in 2024, securing only 43 FDI projects, down from 112 in 2023. This marks the lowest project count in a decade. In 2023, Costa Rica achieved record FDI inflows of US\$3.92 billion, largely targeting free trade zones. However, the country's share of high-value

regional projects has diminished. Contributing factors include the shift in FDI promotion from CINDE to the state-run PROCOMER, budget cuts to investment attraction agencies, and rising competition from Mexico, which attracted US\$43.3 billion across 476 projects in 2024. Analysts cite infrastructure challenges, education gaps, and overreliance on US capital as ongoing headwinds. While Costa Rica launched a semiconductor roadmap in early 2024, progress has lagged, and its global FDI rankings have slipped. Without stronger diversification and incentive structures, Costa Rica may struggle to keep pace with its neighbors.

Source ~ Tico Times

International News

Moody's Downgrade Intensifies Investor Worry About US Fiscal Path

A U.S. sovereign downgrade by Moody's has exacerbated investor worries about a looming debt time-bomb that could spur bond market vigilantes who want to see more fiscal restraint from Washington. The ratings agency cut America's pristine sovereign credit rating by one notch on Friday, the last of the major ratings agencies to downgrade the country, citing concerns about the nation's growing \$36 trillion debt pile. The downgrade from Moody's, which follows similar moves from Fitch in 2023 and Standard & Poor's in 2011, will "eventually lead to higher borrowing costs for the public and private sector in the United States," said Spencer Hakimian, founder of Tolou Capital Management in New York. In early Monday trade, 30-year U.S. Treasury yields briefly rose above 5% and were last trading 10 basis points higher on the day. Moody's said on Friday successive administrations have failed to reverse the trend of higher fiscal deficits and interest costs, and it did not believe that material reductions in deficits will result from fiscal proposals under consideration. Concern shows up in market pricing. A recent increase in the 10-year Treasury term premium - a measure of the return investors demand for the risk of holding long-dated debt - is partly a sign of underlying fiscal worry in the market, said Anthony Woodside, head of fixed income strategy at Legal & General Investment Management America. Woodside said the market was "not assigning much credibility" to the deficit being brought down in a material way.

Source ~ Reuters

EU Executive Cuts Euro Zone Growth Forecasts Because of US Trade War

The euro zone economy will grow more slowly this year and next because of the trade war started by the United States and uncertainty over when and how it will end, the European Commission said on Monday. In a forecast for the 27 countries of the European Union and the 20 countries sharing the euro currency, the EU executive arm said euro zone gross domestic product will grow only 0.9% this year, rather than the 1.3% expected last November. In 2026, euro zone growth should accelerate to 1.4%, but that would be still lower than the 1.6% the Commission had expected six months ago. "The outlook for growth is revised significantly downward. This largely owes to a weakening global trade outlook and higher trade policy uncertainty," the Commission said. It said the growth outlook was based on an assumption that the U.S. would keep its tariffs at the current level of 10% on all EU goods, 25% on steel, aluminium and cars and no tariffs on pharmaceuticals and semiconductors. "Risks to the outlook are tilted to the downside. Further fragmentation of global trade could mitigate GDP growth and reignite inflationary pressures. Climate-related disasters are also more frequent and remain a persistent source of downside risk for growth," the Commission said. However, growth could pick up if there was a de-escalation of EU-U.S. trade tensions or faster expansion of Europe's trade with other countries as well as through higher EU defence spending. Euro zone unemployment will also continue to fall this year and next, reaching 6.1% in 2026, and consumer inflation should decelerate to 2.1% this year and to 1.7% in 2026, from 2.4% last year, the Commission said. Euro zone public finances will deteriorate slightly, with the aggregate budget deficit inching up to 3.2% of GDP this year from 3.1% last year and rising to 3.3% in 2026.

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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