

# ▶ Market Guide

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“The most contrarian thing of all is not to  
oppose the crowd but to think for yourself.”  
— Peter Thiel

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## Are You Truly Diversified? A Closer Look at Cross-Sector Exposure on the JSE

If you ask any seasoned investor about building a portfolio, diversification is likely the first principle they mention. Often summed up as “don’t put all your eggs in one basket,” it remains the bedrock of managing risk while balancing returns. Diversification often focuses on getting exposure to multiple sectors. But while the Jamaica Stock Exchange (JSE) has listed companies across multiple sectors like Financial Services (FS), Conglomerates, Manufacturing and Distribution (M&D) and EIM<sup>1</sup>, the prevalence of crossholdings blurs the lines of traditional sector definitions and can complicate diversification efforts. With this in mind, and off the back of our last cover story, “Webs of Wealth: The Pros and Cons of Cross-Holdings for Investors”, we explore how cross-holdings (particularly cross-sector holdings) can impact our diversification goals.

We assessed 96 JSE-listed entities across the main and junior markets. Our Analysis shows that several JSE-listed entities hold significant cross-sector investments, blurring traditional sector boundaries and potentially complicating how investors assess diversification. Among the 96 entities, one in every three companies holds stakes in at least one other publicly listed firm. Even more significantly, nine of these companies have exposure to at least one additional sector, contributing more than 10.0% of their earnings. Unsurprisingly, FS and Conglomerates were the most connected sectors (See Table 1). Conglomerates, for instance, span multiple sectors including FS, EIM, Real Estate, M&D, and Tourism, while FS companies hold significant interests in M&D, ENT, Real Estate, EIM, Health/Tech and Tourism.

With several companies straddling multiple sectors, the sector labels we often rely on for diversification can be oversimplified as their earnings are influenced by more than one area of the economy. For their latest financial years, earnings for the 96 companies totalled \$132.27Bn, with \$36.08Bn (27.3%) generated by firms holding significant cross-sector investments. Delving deeper, it becomes even clearer how impactful cross-sector linkages are, as approximately \$24.16Bn (67.0%) of that \$36.08Bn, stemmed from companies’ top five crossholdings alone. This level of concentration means that a significant portion of some companies’ profits, and therefore their valuations, partly rely on the performance of other listed businesses in other sectors.

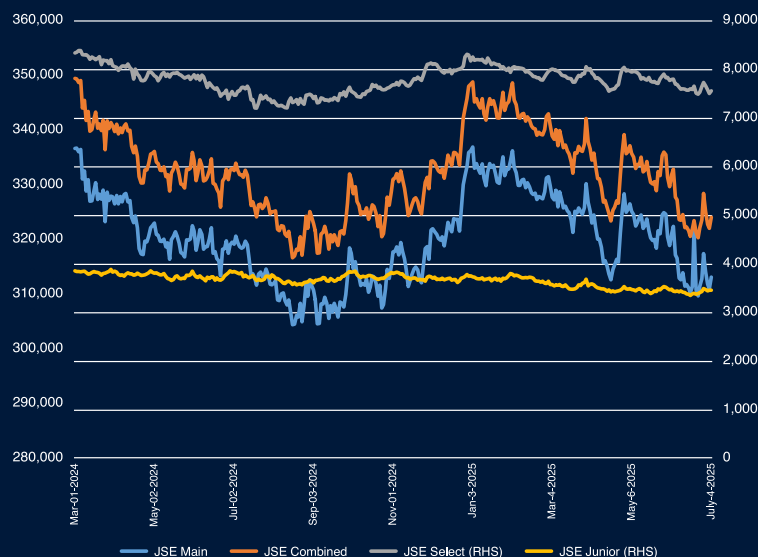
On one hand, cross-sector exposure can be an advantage, enabling a single investment to offer access to multiple sectors and thus spreading risk more broadly across the economic spectrum. For instance, investing in conglomerates or FS stocks with diversified interests can provide exposure to several sectors at once, reducing the need to hold dozens of individual stocks. Conglomerate GraceKennedy Limited (GK) offers substantial exposure to both Food M&D and FS (including insurance, money services and banking) through wholly owned private subsidiaries<sup>2</sup>, but also benefits from its majority stake in publicly listed Key Insurance (KEY)<sup>3</sup>. Another conglomerate, Jamaica Producers Group (JP), offers indirect exposure to EIM, Financial Services and real estate via its 34.6% stake in fellow conglomerate Pan Jamaica Group (PJAM). PJAM, itself, owns significant stakes in Kingston Wharves (42.0%) and financial giants such as Sagicor Group Jamaica (30.2%) and JMMB

1 Energy Industrials and Materials.

2 GK Foot Trading is a prominent player in manufacturing and distribution, while GK Financial offers exposure to money services via GKMS and banking through First Global Bank.

3 GK recently launched a takeover bid on Key and is looking to delist the company.

### WEEKLY MOVEMENT IN INDICES



### MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	323,948.31	0.15%	-6.88%
Main Market Index	312,991.30	0.09%	-6.79%
Select Index	7,546.45	-1.12%	-8.91%
Junior Market Index	3,441.93	0.76%	-7.85%

### WINNERS & LOSERS FOR THE WEEK ENDED JULY 4, 2025

	\$ Change	% Change
ISP	+\$3.68	+32.3%
KEX	+\$2.87	+25.8%
MPCCEL	-\$0.16	-29.1%
SRFJMD	-\$1.24	-14.6%

### MARKET OVERVIEW

Trading activity surged with market volume almost quadrupling (394.4%) in trading last week. However, total value traded was up only 25.9%, which is lower than the prior week’s 105.9% increase, a sign that most trades were in lower-priced stocks. R.A. Williams (RAWIL), with a closing price of \$0.51, emerged as the volume leader, trading 395.48Mn units. RAWIL’s trade volumes accounted for 71.7% of total market volume and coincide with news of its lower earnings of \$28.58Mn (down 66.6%) for its financial year ended April 2025. Wigton Energy Limited (WIG) and TransJamaican Highway Ltd. (TJH) followed, trading 28.76Mn and 28.27Mn units, respectively, each contributing over 5.0% to total market volume.

Amid the rising trading activity, the market, as measured by the JSE Combined Index, edged up by 0.15. 6 out of 9 JSE indices closed higher, with 58 of the 126 actively traded securities advancing, 54 declining, and 14 remaining unchanged. The JSE USD Equities Index led the advancing indices (2.46%) driven largely by gains in two of its largest constituents by market capitalisation: A.S. Bryden & Sons Holdings Limited (ASBHUSD: +12.5%) and TransJamaican Highway Limited (TJHUSD: +1.8%). On the flip side, the JSE Select and Financial Indices were the week’s biggest laggards, both falling 1.12%. The Select Index decline was weighed down by: NCB Financial Group Limited (NCBFG: -1.8%) and GraceKennedy Limited (GK: -1.3%).

Group Limited (2.7%).

Similarly, main market FS companies often have cross-sector investments. NCB Financial Group (NCBFG), for example, owns a 61.8% stake in Guardian Holdings Limited (GHL), providing considerable exposure to the insurance subsector<sup>4</sup>. Likewise, Mayberry Group Limited (MGL) demonstrates cross-sector reliance through its 50.4% ownership of Mayberry Jamaican Equities (MJE), which in turn has direct holdings in Supreme Ventures (SVL; 18.7%), Wigton Windfarm (WIG; 10.2%) and a 20.2% stake in Blue Power Limited (BPOW). SVL provides a slice of Jamaica's entertainment and gaming market, while WIG offers exposure to the EIM sector, and BPOW connects it to the M&D segment. Moreover, MJE further broadens its exposure to M&D companies such as Jamaica Broilers Group (JBG) and Lasco Manufacturing (LASM). Even companies like Jamaican Teas Limited (JAMT), traditionally grounded in M&D, have embraced cross-sector investments. JAMT owns a 28.0% stake in QWI Investments – a financial services firm whose investment portfolio stretches across Financial Services, M&D, Tourism and more<sup>5</sup>.

Conversely, while cross-sector exposure can be an inherent advantage when seeking diversification, it can also create complications for investors who are unaware of its existence or those who prefer precise sector allocations. An investor aiming for pure exposure to Financial Services might be surprised to discover that their chosen stock also derives significant earnings from M&D, EIM, entertainment or real estate (See Table 1). This blending of industries makes it more difficult to manage sector-specific risks or to rebalance a portfolio in response to shifts in economic conditions. For example, a downturn in the FS sector could have a negative ripple effect on investors who believed they were safely invested in M&D, only to discover a performance drag due to FS Sector cross-holdings. We saw this happen in Q2 2025, when JAMT posted a \$74.5Mn net loss, despite revenue growth led by its M&D segment. JAMT's earnings drop came because QWI reported a \$160Mn loss, mostly from unrealised capital losses tied to the company's investments, including Dolphin Cove and Access Financial Services. Similar performance drags may also stem from exposure to companies in related subsectors. This was seen when

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JMMBGL's J\$1.47Bn net loss in the June 2024 quarter was partly due to its \$1.47Bn share of loss from its associate, Sagicor Financial Company (SFC), and not its core money market brokerage and banking business. Unknown cross-sector holdings may also dilute an investor's sector diversification efforts. A good example would be GK, which is mostly known for its Food Trading (M&D) operations. An investor seeking to diversify away from Financial Services might be unaware of GK's large FS segment, which accounts for 36.0% of pre-tax earnings and unintentionally dilutes their intended M&D sector exposure, potentially reducing the effectiveness of their diversification efforts.

With so many pros and cons to investing in companies with significant cross-sector holdings, understanding a company's major sector exposures is crucial for achieving diversification goals. Before investing, investors should look beyond simple sector labels and examine financial statements, segment reports, and disclosures about investments in other listed companies. These investigations help clarify where a company's earnings come from and how they might be connected to other sectors. In a market as interconnected as Jamaica's, understanding these linkages could mean the difference between achieving true diversification and facing unexpected exposures.

**Table 1: Cross-sector Exposure on the JSE | Source Capital IQ**  
(Each tick means the sector in the row has exposure to other sectors in the columns)

	FS	Congl	EIM	Real Estate	M&D	Tour	Ent	Health Tech
Conglomerate (Congl.)	✓		✓	✓	✓	✓		
Energy Industrials and Materials (EIM)	✓							
Entertainment (ENT)	✓							
Financial Services (FS)		✓	✓	✓	✓	✓	✓	✓
Health/Tech								
Manufacturing & Distribution (M&D)	✓				✓			✓
Real Estate								
Tourism	✓							

<sup>4</sup> NCBFG also maintains an interest in conglomerates via its 5.1% stake in GK and EIM via an approximately 7.4% stake in TransJamaican Highway Limited (TJH).

<sup>5</sup> Through QWI, JAMT's investors gain indirect exposure to companies such as Access Financial Services (AFS), Stationery & Office Supplies (SOS), Dolphin Cove (DCOVE), General Accident Insurance (GENAC), and Caribbean Producers Jamaica (CPJ).

## Foreign Exchange Market

The Jamaican dollar (JMD) appreciated slightly in trading last week. On July 4th, it took \$0.05 less JMD to purchase one United States dollar (US\$1) than at the close of trading on June 27th. The slight strengthening of the JMD was supported by strong interdealer activity following the Bank of Jamaica's (BOJ's) US\$110.00Mn intervention in the market via its B-FXITT programme, between June 27 and July 1, 2025.

Selling	Close: 06/27/25	Close: 07/04/25	Change
J\$/US\$1	\$160.82	\$160.77	-\$0.05
J\$/CDN\$1	\$118.24	\$118.52	+\$0.28
J\$/GBP£1	\$219.78	\$220.24	+\$0.46

## Global Bond Prices

Last week, the global bond market reacted to mixed labour market data and inflation data. The United States (U.S.) economy added 147,000 jobs in June, signalling ongoing strength in the labour market, a 3,000 increase from May, according to data from the Bureau of Labour Statistics (BLS). The unemployment rate declined slightly to 4.1% from 4.2%, defying economists' expectations of a slowdown in hiring amid escalating trade tensions. However, economists caution that the labour market may simply be lagging in its response to the mounting pressure from tariffs. President Trump's frequent shifts in trade policy – announcing, suspending, and revising import taxes – have also left businesses in a holding pattern, wary of committing to new hiring or capital spending. As such, much now hinges on what happens after the current 90-day pause on additional tariff increases, which is approaching its expiration date.

Meanwhile, inflation expectations continue to rise, with analysts projecting that tariffs could push prices higher through the summer. Consequently, the market has sharply reduced its expectations for Federal Reserve (Fed) rate cuts. The probability of a June cut fell from 25% to just 5%, while September odds dropped from over 100% to 72% according to the Fed CME watch tool. Markets now anticipate only 50 basis points (bps) of easing in 2025, the lowest since before Fed Governor Christopher Waller suggested a possible July cut in late June. This outlook aligns with Fed officials who remain cautious. Fed Chair Jerome Powell echoed a cautious stance, noting the potential for "some higher readings" on inflation this summer and reiterating that no meeting, including July's, is off the table for an interest rate cut. Still, he reaffirmed that the Fed remains committed to a "wait and learn" approach, delaying policy moves until the impact of tariffs and economic data becomes clearer.

Given the lingering uncertainties, bond yields were mixed across issuers and maturities. The 10-year Treasury yields closed the week higher at 4.34% from 4.275% the previous

week. Emerging market sovereign bonds from issuers like Jamaica, Panama, Costa Rica, Barbados, Bermuda and Trinidad & Tobago showed mixed performances week-over-week.

## JAMAN 7.625% 2025 Maturity

The Government of Jamaica's 7.625% Senior Unsecured Notes due 2025 are set to mature on July 9, 2025. Notably, the government has opted not to refinance these notes, a decision that reflects its continued commitment to fiscal consolidation and debt reduction. Instead, investors will be repaid their principal using available resources, an approach made possible by years of primary and fiscal surpluses, improved cash management, and robust liability management strategies. This move will result in a meaningful decline in gross debt, reinforcing Jamaica's downward debt trajectory and improving credit profile. By allowing the 2025 notes to roll off without refinancing, the government is signaling its resolve to further reduce its reliance on external commercial borrowing, improve debt affordability, and bolster investor confidence in line with its medium-term target of reaching 60.0% debt-to-GDP by 2028.

The maturity proceeds will be credited to investors' NCBCM accounts after the maturity date. This presents an opportunity for investors to reinvest the proceeds into new bonds in either the corporate or sovereign space.

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
BAHAMA (6.95%) 2029	BB-/Stable	102.25	6.35%	BUY
BAHAMA (8.95%) 2032	BB-/Stable	111.00	6.99%	BUY
BAHAMA (6.63%) 2033	BB-/Stable	95.50	7.39%	BUY
BAHAMA (8.25%) 2036 (NEW ISSUE) <sup>6</sup>	BB-/Stable	104.71	7.61%	BUY
BARBAD (8.00%) 2035 (NEW ISSUE) <sup>7</sup>	B+/Stable	102.67	7.61%	BUY
BERMUD (4.75%) 2029	A2/Stable	104.50	3.41%	BUY
DOMREP (5.5%) 2029	BB/Stable	103.50	4.44%	BUY
DOMREP (6.00%) 2028	BB/Stable	105.50	4.05%	BUY
DOMREP (6.95%) 2037	BB/Stable	104.31	6.42%	BUY

<sup>6</sup> Issuer- The Bahamas, Industry- Sovereign, Type- Senior Unsecured, Callable-No, Coupon Rate- 8.25%, Coupon Payment- Semi-annually, Maturity- June 24, 2027, Risk Profile - Aggressive

<sup>7</sup> Issuer- Barbados, Industry- Sovereign, Type- Senior Unsecured, Callable-Yes, Coupon Rate- 8.00%, Coupon Payment- Semi-annually, Maturity- June 26, 2035, Risk Profile - Aggressive

Bonds	Currency Rating	Indicative Price	Yield	Recommendation
GM (5.40%) 2029	Baa2/ Stable	105.5	3.98%	BUY
JAMAN (6.75%) 2028	BB-/ Positive	106.17	4.39%	BUY
JAMAN (8.50%) 2036	BB-/ Positive	111.75	6.92%	BUY
KINGAIR (6.75%) 2036	BB/Stable	103.66	6.30%	BUY
LTMCI (7.88%) 2030 (NEW ISSUE) <sup>8</sup>	BB/Stable	102.74	7.02%	BUY
LTMCI (7.88%) 2030	BB/Stable	104.75	6.69%	BUY
MARGRO (6.404%) 2029	BBB-/ Positive	104.62	5.19%	BUY
NFLX (5.88%) 2028	A3/ Positive	109.00	3.02%	BUY
NFLX (4.875%) 2030	A3/ Positive	105.75	3.59%	BUY
NRG (3.88%) 2032	BB+/ Stable	94.75	4.81%	BUY
NRG (6.00%) 2033	BB+/ Stable	103.19	5.48%	BUY
NRG (6.25%) 2034	BB+/ Stable	103.98	5.69%	BUY
POSWDL (7.875%) 2040 (NEW) <sup>9</sup>	BB/Stable	102.14	7.63%	BUY
PYPL (2.85%) 2029	A-/Stable	98.00	3.36%	BUY
SFC (5.30%) 2028	BBB/ Positive	102.75	4.26%	BUY
TPHLTT (9.00%) 2029	Ba3/Stable	106.50	7.13%	BUY
TRAJAM (5.75%) 2036	BB-/ Positive	96.50	6.18%	BUY
NFE (6.50%) 2026	Caa1/ Negative	47.50	84.26%	SELL
CSOLNO (6.00%) 2027	B+/Stable	16.75	777.78%	SELL
BANORT (5.75%) 2031	Baa2/ Positive	100.50	1.18%	SELL

<sup>8</sup> Issuer- LATAM Airlines Group S.A., Industry- Airline, Type-Senior Secured, Callable-Yes, Coupon Rate- 7.625%, Coupon Payment- Semi-annually, Maturity- January 7, 2031, Risk Profile - Moderate

<sup>9</sup> 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

## GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	103.35	5.44%
	2039	117.5	6.10%
	2045	116.5	6.40%

\*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, as measured by the aggregated current balances held by Deposit-Taking Institutions (DTIs) fell to J\$21.58Bn, a 57.5% reduction week over week.

Demand for money market instruments remains solid evidenced by the oversubscription in last week's Bank of Jamaica (BOJ) 30-day Certificate of Deposit (CD) Auction results. Total bids on the 30-day CD Auction amounted to J\$43.99Bn, relative to the offer size of J\$42.0Bn. Reflecting the sustained demand, the average yield inched up 12 basis points (bps) week-over-week to 5.98. The next auction is scheduled for July 9, 2025.

There was also a 14-day Repurchase Operation with deposit-taking institutions for the provision of Jamaican dollar liquidity for J\$1.00Bn. The auction was oversubscribed with J\$2.00Bn total bids and an average yield of 6.115%.

In addition to BOJ instruments, the Government of Jamaica (GOJ) has announced its auction of a total of J\$2.2Bn in Treasury Bills (T-bills), to finance its budgetary requirements. There are three (3) tenors up for auction, with an offer size of J\$700.00Mn for the 91-day and 182-day tenors, respectively, and a 273-day offering of J\$800.00Mn. The subscription date for the auction is the 9th of July with settlement on the 11th.

## Money Market Cont'd

Lastly, following its Monetary Policy Committee (MPC) meetings on June 25 and 26, 2025, the BOJ maintained its policy rate at 5.75%. The decision was made on the balance of a run of stable inflation readings since last September and uncertainties from global trade policies, interest rate paths in major economies, and recent geopolitical tensions that pose upside risks to inflation. Most notably, geopolitical tensions, if prolonged or intensified, could cause upward pressures on international commodity prices. Additionally, while the direct impact of recent changes in global trade policy on domestic inflation is expected to be moderate, the second-round impact of these policies could be higher than anticipated. Against this background, the MPC communicated that it would continue to monitor the incoming data and adjust its policy accordingly at subsequent meetings.

## Dates to watch this week

■ International ■ Local

JULY 2025				
MON	TUE	WED	THUR	FRI
<b>07</b>	<b>08</b>	<b>09</b>	<b>10</b>	<b>11</b>
CCC - Annual General Meeting		US FED FOMC Meeting Minutes		UK GDP (MoM, YoY: May)  CAD Unemployment Rate (Jun)

## Recommendations

Ticker	Closing Price (July 7, 2025)	P/E	Avg. Sector P/E	Current Recommendation
CAR	\$15.99	10.97x	15.50x	BUY
GK	\$70.81	8.33x	11.50x	BUY
SVL	\$19.79	35.89x	35.89x	BUY
TJH	\$3.63	8.95x	17.88x	BUY
TJHUSD	\$0.0240	9.23x	15.22x	BUY

## Regional News

### CAF Boosts Support for the Caribbean: Approvals for The Bahamas, Barbados, Saint Lucia & Antigua Financings

The Caribbean region was featured prominently during a Board of Directors meeting of the CAF (Spanish acronym for Andean Development Corporation) - Development Bank of Latin America and the Caribbean, held in Seville, Spain, with several landmark developments in its deepening partnership with the region. A record US\$5.4Bn in development financing was approved for operations across Latin America and the Caribbean. These include energy sector reforms and the green energy transition, support for Small and Medium-sized Enterprise (SME) development, railway infrastructure expansion, agriculture, and sustainable urban development. In keeping with its commitment to channelling increased development financing to the Caribbean, CAF approved its first sovereign loan to The Bahamas. The loan will support key objectives outlined in the Bahamas National Energy Policy, including the modernisation and digitalisation of the electricity network, enhanced integration of renewable energy sources, improved affordability, and strengthened institutional capacity in the energy sector. The CAF also approved the issuance of Series C shares for the incorporation of Saint Lucia as a new shareholder country and the issuance of increased Series C shares to Antigua and Barbuda. Once the internal incorporation process is complete, Saint Lucia will be able to access CAF's financial, technical, and knowledge services in support of its development priorities. Additionally, with the increase in Series C shares, Antigua and Barbuda will be able to access a larger envelope of development financing to advance its national development priorities. CAF's Board of Directors also endorsed Barbados' request to transition from Series "C" to Series "A" shareholder status, the highest level of membership. This will enable Barbados to appoint a Director to CAF's Board and deepen its participation in the institution. Upon completion of the transition process, Barbados will join Trinidad and Tobago as a full member of the bank. The meeting was also historic in that it marked the first time a CARICOM country, Trinidad and Tobago, chaired CAF's Board of Directors meeting.

Source ~ CAF

### Brazil's Central Bank Needs Time After Signalling Pause in Rate Hikes

Brazil's central bank signalled a "very prolonged" pause in its interest rate-hiking cycle because policymakers

need more time to assess whether data are moving in the desired direction, a senior official said on Wednesday, July 2, 2025. The bank's monetary policy director, Nilton David, stressed that the decision to halt the tightening cycle reflects the need to wait for signs that excess economic growth beyond potential has been absorbed, allowing inflationary pressures to ease. "We do believe the length of time (rates remain unchanged) has an effect," he told an event hosted by Citi. David added that the process inevitably involves a slowdown in Latin America's largest economy, which has been consistently surprising to the upside for four years. "We are absolutely convinced that monetary policy works," he said. "It's only a matter of time, and things will converge." The central bank raised its benchmark interest rate by 25 basis points (bps) last month to a near two-decade high of 15% and signalled it would pause tightening at its next policy meeting in July. Since September, cumulative hikes have totalled 450 basis points to tame annual inflation, which has been long running above 5%, exceeding the 3% target. Looking ahead, Fitch anticipates that the BCB will begin monetary policy easing before the end of 2025, with the central bank set to cut rates by 25bps to 14.75% in December and by a further 275bps to 12.00% by end-2026. However, the hawkish forward guidance that accompanied June's rate hike means that risks to this forecast are tilted to the upside.

Sources ~ Reuters & Fitch Connect

## International News

### Trump Signs Tax and Spending Bill into Law

U.S. President Donald Trump signed into law a massive package of tax and spending cuts at the White House on Friday, staging an outdoor ceremony on the Fourth of July holiday that took on the air of a Trump political rally. With military jets flying overhead and hundreds of supporters in attendance, Trump signed the bill one day after the Republican-controlled House of Representatives narrowly approved the signature legislation of the president's second term. The bill, which will fund Trump's immigration crackdown, make his 2017 tax cuts permanent, and is expected to knock millions of Americans off health insurance, was passed with a 218-214 vote after an emotional debate on the House floor. The bill's passage amounts to a big win for Trump and his Republican allies, who have argued it will boost economic growth, while largely dismissing a nonpartisan analysis predicting it will add more than \$3 trillion to the nation's \$36.2 trillion debt. While some lawmakers in Trump's party expressed concerns over

the bill's price tag and its hit to healthcare programs, in the end, just two of the House's 220 Republicans voted against it, joining all 212 Democrats in opposition. The tense standoff over the bill included a record-long floor speech by House Democratic Leader Hakeem Jeffries, who spoke for eight hours and 46 minutes, blasting the bill as a giveaway to the wealthy that would strip low-income Americans of federally backed health insurance and food aid benefits.

Democratic National Committee Chair Ken Martin predicted the law would cost Republicans votes in congressional elections in 2026. "Today, Donald Trump sealed the fate of the Republican Party, cementing them as the party for billionaires and special interests, not working families," Martin said in a statement. "This legislation will hang around the necks of the GOP for years to come. This was a full betrayal of the American people. Today, we are putting Republicans on notice: you will lose your majority."

Source ~ Reuters

### Canada's Services PMI Declines in June as Trade Policy Uncertainty Clips Activity

Canada's services economy contracted at a steeper pace in June as uncertainty generated by U.S. trade policy depressed activity and cost pressures increased, S&P Global's Canada services PMI data showed on Friday, July 4, 2025. The headline Business Activity Index fell to 44.3 last month from 45.6 in May, marking the seventh straight month the index has been below the 50 threshold. A sub-50 reading indicates contraction in the sector. "Canada's services economy remained deep inside contraction territory during June, as uncertainty caused in the main by US trade policies continued to weigh heavily on activity and new business volumes," Paul Smith, economics director at S&P Global Market Intelligence, said in a statement. "International demand was again especially hard hit, and the outlook remains subdued given widespread uneasiness and challenges in forecasting business trends in the months ahead." Canada sends about 75% of its exports to the United States, including autos, steel and aluminium, which have been hit by hefty U.S. tariffs. Prime Minister Mark Carney and U.S. President Donald Trump have agreed to reach some form of a trade deal by July 21. Still, confidence in the outlook remained subdued. The Future Activity Index was at 54.9, down from 58.9 in May and its lowest level since March. "Positively, firms added to their staffing levels in June, although, reflective of the uncertain outlook and rising labour expenses, recruitment tended to be for part-time

workers," Smith said. "On the price front, operating costs rose to the greatest degree since October 2022 which served to push up selling prices at a faster pace despite the challenging business environment." The Input Prices Index rose to 62.7 from 62.1 in May, while the prices charged measure was at 55.1, up from 54.6 and its highest level since May 2024. The S&P Global Canada Composite PMI Output Index fell to 44.0 in June from 45.5 in May, extending the current downturn to seven months. Data on Wednesday showed that the downturn in manufacturing activity deepened last month. The S&P Global Canada Manufacturing PMI edged down to 45.6 from 46.1 in May.

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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