WEEKLY MARKET ROUND-UP

ISSUE NO. 13 16TH JANUARY, 2018

FEATURES

Local Market Review
The local Indices ended the week in positive territories. Overall market activity resulted from the trading activity of 20 stocks of which 9 advanced, 5 declined and 6 traded steady. Unilever Caribbean Limited (UCL) made the biggest gains and recovery last week while Massy Holdings Limited (MASSY) continues to stumble.

Local Fixed Income Review
Find New Tbill issue summary below.

Local Market Review
Market activity was off to a slow start last week, with market volume on the First Tier Market amounting to 872,607 units, valued at over $16.95 million. Guardian Holdings Limited (GHL) was last week’s volume leader with 194,730 units crossing the floor, capturing 22.32% of market activity. In second place was Trinidad and Tobago NGL Limited (NGL) with 169,024 units or 19.37% followed by Massy Holdings Limited (MASSY) which captured 11.73% of market activity or 102,363 shares.

Overall market activity resulted from the trading activity of 20 stocks of which 9 advanced, 5 declined and 6 traded steady. Unilever Caribbean Limited (UCL) made the biggest gains and recovery last week, moving $1.00 or 3.7% to close at $28.00. This follows the precipitous fall in UCL’s value from $68.30 in 2016 to its current value. Massy Holdings Limited (MASSY) continues to stumble, retreating $0.66 or 1.99% to close the week at $47.50. At this price, MASSY provides its investors with an above market dividend yield of 4.5%. WITCO also experienced a contraction in market price, falling $0.13% to $89.87. The local Indices ended the week in positive territories.

Local indices annual performance:
◆ The Composite Index advanced by 10.63 points (↑0.84%) to close at 1,274.95 (YTD: ↑0.68%)
◆ The All T&T Index advanced by 5.26 points (↑0.31%) to close at 1,710.61 (YTD: ↑1.05%)
◆ The Cross Listed Index advanced by 2.18 points (↑1.96%) to close at 113.25. (YTD: ↑4.49%)

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Local Fixed Income Review

### TREASURY BILL AUCTION

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<th>Issue No</th>
<th>Issue Date</th>
<th>Maturity Date</th>
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Regional Sovereign Benchmark Yields (Bloomberg):

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<th>Issuer</th>
<th>~10 Yr Yield</th>
<th>~30 Yr Yield</th>
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<td>Gov’t of Barbados</td>
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<td>CCC+</td>
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<td>6.15%</td>
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<td>Gov’t of Jamaica</td>
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<td>5.95%</td>
<td>B</td>
</tr>
<tr>
<td>Gov’t of the Dominican Rep.</td>
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<td>BB-</td>
</tr>
<tr>
<td>Gov’t of Trinidad &amp; Tobago</td>
<td></td>
<td></td>
<td>BBB+</td>
</tr>
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</table>

*BARBAD yield curve inverted*
Regional Economic Review

JAMAICA

GK Investments buys stake Gray’s Pepper

"GraceKennedy subsidiary GK Investments Limited has acquired a third of Gray’s Pepper Products Limited, a spice company based in Westmoreland.

Gray’s Pepper, described as one of Jamaica’s largest processors of seasonings and sauces, will double its capacity to produce red pepper sauce under the agreement, said Don Wehby, Group CEO of GraceKennedy Limited, who also told the Financial Gleaner that demand for the sauce globally has "multiplied by the tens".

The investment will include new machinery and equipment, he said. The price paid for the 33.33 per cent stake was not disclosed.

In a release last Thursday, the group said GK Investments’ acquisition of the shares in Gray’s Pepper will allow for the investment necessary to grow the business’s current product portfolio locally and internationally and accelerate plans for research and development."

Source: Jamaica Observer

BARBADOS

ResLife takes Clico portfolio

"Barbadian policyholders have finally seen the back of CLICO. ResLife announced last week that six months after it got the green light from the Supreme Court, “the legal aspects pertaining to the transfer of the Barbados-based life insurance portfolio previously held by CLICO … to ResLife have been completed”.

Reacting to the news after being contacted by the WEEKEND NATION, BIPA said “a new day has finally dawned for former CLICO policyholders whose policies have now been successfully transferred to ResLife”.

“That feeling of hopelessness has remained with many policyholders, whose lives were and have since been devastated by this debacle. But we never gave up hope, and fought with every fibre of our beings with this, the final and successful resolution, our only aim,” BIPA president June Fowler said.”

Source: Nation News
**International Economic Review**

**UK ECONOMY**

**U.K. Outlook**

"There was an improvement in the inflation reading for the U.K. when December data showed a slight decline to 3 percent from the previous month’s 3.1 percent.

Respondents to a Bloomberg survey showed little optimism for British growth prospects, with a median forecast for a 1.4 percent expansion both this year and next.

The main driver of the economic outlook remains the Brexit negotiations, with JPMorgan Chase & Co. flagging a "non-negligible risk" that talks with the EU collapse as it remains bearish on the pound."

**Source: Bloomberg**

**US ECONOMY**

**Crypto Crash**

"It's an ugly session for investors in digital currencies, with all of the major tokens suffering large reversals.

Bitcoin saw an almost 20 percent decline, dropping as low as $11,199, while ethereum and litecoin plunged more than 20 percent.

While there is no obvious driver for this moves, yesterday Bloomberg reported that China was escalating its crackdown on trading in the digital ‘assets’ while South Korea’s finance minister repeated it may ban local cryptocurrency exchanges."

**Source: Bloomberg**