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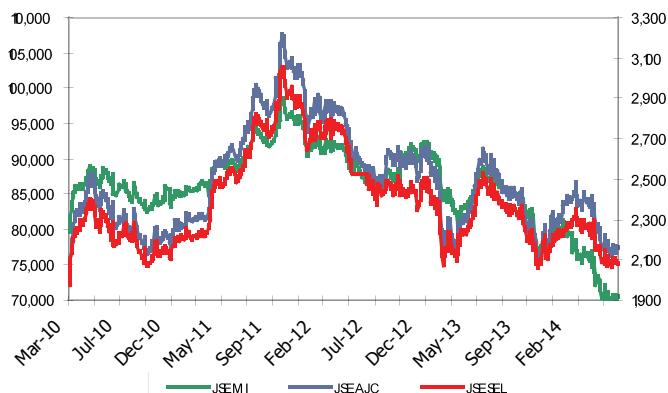
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June 29th 2015

Jamaican Stock Market



Weekly Movement in Indices

Indices	Closing Levels	Change
JSE Combined Index	100,236.87	+101.98
JSE Market Index	97,666.95	+284.77
All Jamaican Composite	108,104.34	+318.29
Jamaica Select Index	2,916.90	+1.75
JSE Cross Listed Index	499.06	-

Most Active Stocks

LASM	3,137,213	19.67%
SG	1,930,259	12.10%
SGJ	1,712,179	10.74%

Top Winners & Losers This Week

	\$ Change	% Change
Winner:CHL	\$4.50	18.75%
Winner:KPREIT	\$1.00	14.29%
Loser:ASF	-\$3.50	-22.58%
Loser:MBICE	-\$2.95	16.43%

JSE To Introduce Jamaica Depository Receipt (JDR) Program

The Jamaica Stock Exchange (JSE) is expected to launch a Jamaica Depository Receipt (JDR) program, which will allow local investors to trade in the shares of foreign companies. A depository receipt is a negotiable financial instrument issued by a brokerage house or a member dealer to represent a foreign company's publicly traded securities. The depository receipt trades on a local stock exchange, in this case the JSE.

Under the Jamaica Depository Receipt (JDR) market structure, stockbrokers will purchase shares from foreign stock exchanges, which they will hold through an FSC-approved custodian bank. The bank then issues the depository receipts to the stockbroker. The stockbroker will have to go through the process of a prospectus, inviting the market to buy into the depository receipts. No two member dealers will be permitted to list the same JDR.

There are two types of JDR programs- Sponsored and Un-sponsored. The sponsored program, has the knowledge and corporation of the foreign company whose stock backs it. An un-sponsored JDR is not supported by the foreign company behind the JDR shares and as such, the JDR issuer will be responsible for all the company filings with the JSE.

The move to introduce JDRs to the market will diversify the scope and the available investment options for locals and is expected to increase activity on the JSE. For long, local investors have desired to gain exposure to international stocks but are somewhat restricted. JDRs provide an opportunity for investors to gain access to foreign securities, and in so doing, help to diversify their portfolio holdings.

Inflation Rates Remain Moderate

The Jamaica "All Divisions" Consumer Price Index (CPI) was 224.2 as at May 2015, a 0.5% increase when compared to April's CPI outturn. This brings the fiscal year-to-May inflation rate to 0.7% and 12 month point-to-point inflation to 4%. The outturn was largely due to a 0.5% increase in "Food & Non-Alcoholic Beverages" index which was impacted by higher prices for vegetables and starchy foods. Additionally, the "Housing Water, Electricity, Gas & Other Fuels" index was 0.9% higher while an increase in fuel prices pushed the "Transport" index up by 0.8%. According to the Bank of Jamaica, it is anticipated that the 12

month point-to-point inflation will fall to below 3.0% by September 2015 before rising moderately in the second half to end the fiscal year between 5.5% and 7.5%. The most imminent threat to lower inflation targets are that of extreme weather conditions (such as the current drought) which could cause an increase in food prices. This has the potential to significantly move the index, given that the "Food and Alcoholic Beverages" division carry the heaviest weighting in the CPI.

JMD Money Market

JMD money market liquidity conditions tightened last week as market participants used already low liquidity levels to purchase USD through an FX market intervention by the Bank of Jamaica on Friday, June 26th. Participation level was estimated to be US\$70M. The Bank of Jamaica also announced its offer of a 1- and 2-year VR CD which opened on Wednesday, June 24th. The instruments which are scheduled to close on Friday, July 3, 2015 had a total take-up of J\$688M at the end of trading on Friday.

USD market liquidity levels continued to be moderate last week with no notable change in broker market rates

Foreign Exchange Market

Selling	Close: 19/06/15	Close: 26/06/15	Change
J\$/US\$1	116.66	116.92	+\$0.26
J\$/CDN\$1	95.10	94.44	-\$0.66
J\$/GBP£1	186.66	183.71	-\$2.95

Increased end user and broker demand coupled with low inflows resulted in the dollar trading actively above \$117.00. The BOJ intervened in the market at an intervention rate of \$116.8927 for resale at \$116.9427. On Friday the weighted average selling rate stood at J\$116.92:US\$1.00 a depreciation of \$0.26 week on week.

GOJ Globals

Jaman global bond trading activity was dominated once more by the 25N which traded in a range of 112.25-112.50. There were buyers of 17s at 114.25 and 19s at 112.25 with very little action occurring on both. Trading in JMD bonds was limited to retail sized volumes.

Indicative Levels - GOJ Globals

	Bid	Offer	Offer Yield*
2017	114.250	116.250	2.29%
2019	112.000	113.500	3.25%
2021	109.000	111.000	4.88%
2022	128.000	130.000	6.03%
2025	123.000	125.000	5.97%
2036	115.000	117.000	6.94%
2039	113.000	114.750	6.72%

International News

The S&P 500 closed flat on Friday but ended lower for the week, with investors cautious ahead of a meeting in Europe that could decide whether Greece will default on critical loans. In Europe, Greece rejected a five-month extension of bailouts, a day before euro zone finance ministers will meet to decide the country's fate. Greece needs fresh funds to avoid defaulting on a \$1.8B debt repayment to the IMF on June 30th. If it defaults, it may have to leave the eurozone or the European Union, potentially shaking the region's economic foundations. European stocks fell on June 26th, with investors discouraged by a lack of progress in Greek debt crisis negotiations heading into crunch talks at the weekend. Traders indicate that the high amount of uncertainty ahead of the negotiations made investors unwilling to leave themselves exposed heading into the weekend. By the time the markets reopen next week, Greece may have either secured a deal or accepted default to the IMF.

In the latest economic data, University of Michigan's final reading on the overall index on consumer sentiment for June was 96.1, higher than the preliminary reading of 94.6. Investors have been keeping a keen eye on data to see if the U.S. economy has recovered from a slow start at the beginning of the year. The Federal Reserve has said it remains data dependent and expects to raise rates when it sees a sustained rebound in the economy.

Greece in shock as banks shut after snap referendum call

Stunned Greeks faced shuttered banks, long supermarkets lines and overwhelming uncertainty on Monday as a breakdown in talks between Athens and its international creditors plunged the country deep into crisis.

With Greece's bailout expiring on June 30 and an IMF payment falling due at the same time, Prime Minister Alexis Tsipras pleaded by phone with European officials to extend the programme until a referendum on Sunday on its future terms.

The frantic efforts to secure Greece's place within the euro zone followed a dramatic weekend. Tsipras's decision, early on Saturday, to put the aid package to a popular vote took the lenders and some of Tsipras's own negotiating team by surprise.

It also pushed Greece towards defaulting on 1.6 billion euros (\$1.77 billion) due to the International Monetary Fund on Tuesday.

*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.

Greeks - used to lengthy talks with creditors before an eleventh-hour deal - were left shocked by the turn of events. Lines snaked outside ATMs and inside supermarkets while fears of disruptions to petrol and medicine supplies grew.

The breakdown has pushed the European Union and euro zone into uncharted terrain. Financial markets reacted badly on Monday, with European bank shares down sharply on worries of contagion within the financial system.

"I can't believe it," said Athens resident Evgenia Gekou, 50, on her way to work. "I keep thinking we will wake up tomorrow and everything will be OK. I'm trying hard not to worry."

After months of talks, Greece's exasperated European partners have put the blame for the crisis squarely on Tsipras for rejecting a package they consider generous. The Greek side says further austerity would simply deepen one of the worst economic crises of modern times in a country where a quarter of the workforce is already unemployed.

U.S. pending home sales hit nine-year high

Contracts to buy previously owned U.S. homes rose to their highest level in just over nine years in May, in a further boost to the housing market and the broader economic outlook.

The National Association of Realtors said on Monday its Pending Home Sales Index, based on contracts signed last month, increased 0.9 percent to 112.6, the highest level since April

2006. Contracts have now increased for five straight months.

Pending home contracts become sales after a month or two, and last month's increase pointed to further gains in home resales after they hit a 5-1/2-year high in May. Economists had forecast pending home sales rising 1.2 percent last month.

"The recent trend suggests that we will see continued strength in resales in the months ahead. However the current low inventory levels, which are placing upward pressure on home prices, remain a downside risk," said Derek Lindsey, an analyst at BNP Paribas in New York.

The housing market recovery is back on track after being slammed by bad weather at the start of the year. It is being bolstered by a tightening labor market, which is helping to spur some pick-up in wage growth.

U.S. financial markets were little moved by the report, with investors warily watching developments in Greece as Athens moved closer to a defaulting on its debt. U.S. stocks fell at the open, while the dollar was little changed against a basket of currencies. Prices for U.S. government debt were higher.

The pending home sales report added to robust building permits, housing starts, new home sales and home resales data in painting a bullish picture of the housing market.

It also joined strong retail sales, consumer sentiment and employment data in suggesting a building up of momentum in the economy after a mild contraction in output in the first quarter.

Pending home sales increased 10.4 percent from a year ago.

Contracts increased 6.3 percent in the Northeast and rose 2.2 percent in the West. They slipped 0.8 percent in the South and dipped 0.6 percent in the Midwest.

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