

Market Guide

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"Money's greatest intrinsic value, and this can't be overstated, is its ability to give you control over your time." – Morgan Housel

May 12, 2026

Tourism Industry's Fight for Recovery Enters Another Round

Jamaica's tourism sector has found itself absorbing another round of blows, just as it was trying to recover from Hurricane Melissa. Already reeling from hurricane-related disruptions, the industry is now facing fresh blows from the global energy shock that has resulted from the United States (U.S.) war on Iran. The geopolitical fallout has sent shockwaves through global markets, driving up oil prices and, by extension, operating, transportation and travel costs. Although negotiations to find a diplomatic resolution to the conflict are underway, a durable resolution appears uncertain, and energy prices remain volatile. In the interim, it has already resulted in a surge in fuel and bunkering costs¹ for airline carriers and cruise companies, which could pose headwinds for local tourism. This week, we delve into how rising fuel prices and the resulting higher travel costs could affect Jamaica's tourism recovery, while examining the sector's resilience, strategy, and stamina to withstand another difficult round.

At the heart of the crisis is the direct impact of rising oil prices on travel logistics, in particular, airlines and cruise ships servicing Jamaica. Despite the uneasy ceasefire between the U.S and Iran, elevated energy prices are increasingly disrupting global travel as the Strait of Hormuz approaches its 11th week of closure. Jet fuel prices, as measured by the Standard & Poor's (S&P) Platts Global Jet Fuel Index², had surged to 387.82 on May 8th, from 241.28 at the start of the conflict (February 28th). According to the International Air Transport Association (IATA), the average global jet fuel price reached approximately US\$162.89/bbl and surged to as high as 80% relative to pre-conflict levels. With aviation fuel typically accounting for up to 30.0% of airline operating expenses, airlines

are making cost management decisions that could impact local tourism and effectively keep the sector on the defensive.

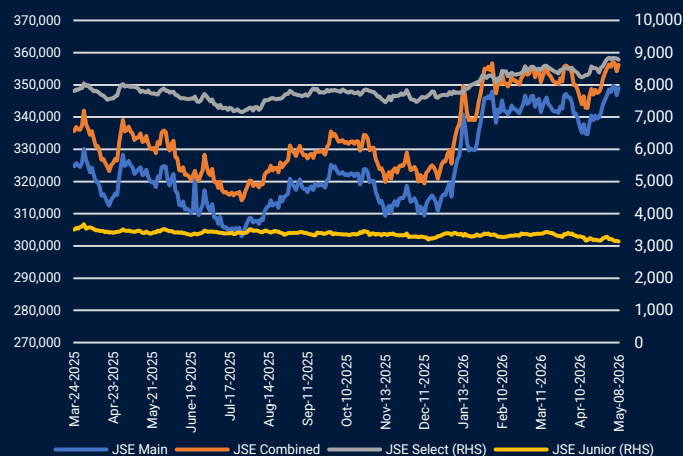
Value-seeking travellers, who often rely on low-cost carriers to access Caribbean destinations, like Jamaica, may be particularly affected. The collapse of Spirit Airlines, which accounted for 30,000–40,000 seats or 3% of Jamaica's summer passenger traffic, according to Tourism Minister Edmund Bartlett, is the most extreme example thus far. The shutdown covered roughly 9,000 flights planned through May 31st, or roughly 1.8 million seats. Similarly, JetBlue Airways, another popular carrier, remains heavily indebted and could face financial strain from the surge in jet fuel prices. While the airline has denied claims of potential bankruptcy this year, elevated fuel costs could mean reduced flight capacity and higher fares on routes to Jamaica. Air fares have already risen by as much as 50% from certain U.S. destinations to Jamaica since the conflict began, and average prices could rise further. Route frequency reductions, or capacity adjustments, are a real possibility for other airlines as they seek to enhance the efficiency of their operation and cut unprofitable routes to better navigate the weight of the higher fuel costs.

Beyond aviation, the broader travel ecosystem is feeling the heat. Cruise operators are similarly exposed to the fuel price shock, facing increased bunkering costs that threaten to shorten itineraries and reduce port calls. These troubles are already forcing cruise lines to consolidate Caribbean routes, focus on fewer high-yield destinations, and trim multi-stop voyages to contain operating expenses. According to the Florida-Caribbean Cruise Association, itinerary planning in 2026 is increasingly being driven by fuel

¹ Bunkering costs represent the total expenses involved in purchasing, storing, and supplying fuel (bunker fuel or marine gas oil) to power a ship's engines and machinery.

² The S&P Global Platts Jet Fuel Index is a benchmark price index used by airlines, fuel suppliers, traders, airports, and analysts to track the market price of jet fuel around the world.

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	356,203.28	-0.04%	8.45%
Main Market Index	348,995.34	0.12%	9.75%
Select Index	8,776.39	-0.76%	14.34%
Junior Market Index	3,136.47	-2.33%	-7.79%

WINNERS & LOSERS FOR THE WEEK ENDED May 8, 2026

JSE Indices	\$ Change	% Change
PTL	+\$0.20	20.83%
PURITY	+\$0.21	15.22%
138SLVR	-\$58.24	-22.12%
CHL	-\$3.40	-16.89%

MARKET OVERVIEW

Last week, the market, as measured by the JSE Combined Market Index, edged down by 0.04%, reflecting a relatively muted trading week. Market breadth remained slightly negative, with 61 of the 127 traded stocks declining, compared to 52 advancing, while 14 closed unchanged. 108.88Mn units valued at J\$524.73Mn traded. This represents week-over-week (WoW) declines of 52.76% and 47.94%, respectively. Trading activity was also less concentrated relative to the prior week, as the top three volume leaders accounted for 32.07% of total market volume, down notably from 59.6% previously, suggesting broader participation across the market. Leading the week's activity were TransJamaican Highway Limited with 15.17Mn units traded (12.15% of total market volume), followed by Jamaica Teas Limited with 12.69Mn units (10.17%) and Kintyre Holdings (JA) Limited with 12.17Mn units (9.75%).

Performance across the remaining major indices was evenly split, with four indices advancing and four declining during the week. The strongest performer was the JSE Cross Listed Index, which gained 3.28%, supported primarily by advances in Guardian Holdings Limited (+4.8%) and Massy Holdings Ltd. (+2.8%). Guardian Holdings' upward movement followed its May 1 Q1 2026 dividend declaration of TT\$0.29 per share, representing an increase from the TT\$0.25 per share declared and paid in April 2026. Meanwhile, Massy's share price appreciation came as the market appeared to have taken its cue from its May 8 dividend consideration announcement. This came despite the company reporting weaker bottom-line performance for the six months ended March 2026. Its 6M Net profit declined by 34.7% to TT\$227.4Mn, even as revenue expanded 7.4% year-over-year to TT\$8.51Bn, driven by solid contributions across most operating segments.

On the downside, the JSE Junior Market Index recorded the sharpest week-over-week decline, falling 2.33%. The downturn was largely driven by notable declines in Cargo Handlers Limited (-16.9%), Derrimon Trading Company Limited (-11.4%), and FosRich Company Limited (-5.5%). In the absence of any material company-specific developments, some of these movements likely reflected the price volatility within the Junior Market.

optimisation and passenger yield per stop. This rationalisation could

reduce calls to smaller Caribbean ports, concentrating cruise traffic in a handful of major destinations while leaving others vulnerable to declining visitor flows. Moreover, rising energy costs can trigger inflationary spillovers within Jamaica, driving up operating costs for local hotels, tour operators and ground transportation providers. War-driven increases in energy prices will not only lead to higher costs associated with running hotels, but also higher fertiliser prices will likely feed into higher food costs across the tourism supply chain. This will push up costs across the board, which will likely be passed on to visitors. Collectively, these constraints could dampen travel demand from Jamaica's key source markets and add further weight to an already tiring fight for demand recovery.

Jamaica's 2026 tourism numbers, which are already reeling from the fallout of Hurricane Melissa (see Figure 1), could come under additional pressure. According to the Jamaica Tourist Board (JTB), total stopover arrivals contracted by 31.4% for the January to February period (before the War) as visitor numbers fell to 321,395 relative to 2025. Cruise travel also declined 5.9% YTD to 325,051 arrivals, reflecting an 8.9% and 2.7% decline in both months. Moreover, this trend was further reinforced by data from Grupo Aeroportuario del Pacifico, S.A.B. de C.V.³, operator of Sangster and Norman Manley International Airports (SIA and NMIA, respectively), which showed total terminal passenger traffic declined by 29.2% at SIA and 3.8% at NMIA for the January to April 2026 period. Accordingly, the tourism sector's near-term outlook remains subdued, with ongoing geopolitical tensions likely to compound the adverse effects already stemming from Hurricane Melissa, which could keep the industry pinned against the ropes in the short term.

Notwithstanding the likely tourism downturn for 2026, several factors point to an eventual rebound in 2027. On the supply side, most hotels have reopened, with the remaining properties (equivalent to 33,000 rooms) expected to resume operations by December 2026. This marks a solid improvement from earlier estimates that projected only 80% room availability. Additionally, all cruise ports are operational, with the island's tourism hubs fully functioning. As airfares rise, North American travellers could opt for destinations closer to home, like Jamaica, instead of longer-haul trips to destinations in Europe and Asia. This could

We foresee a rebound in arrivals for the 2027 winter tourist season, supported by continued efforts to diversify source markets while simultaneously targeting the return of visitors from key markets, expanding airlift capacity to bolster the island's connectivity.

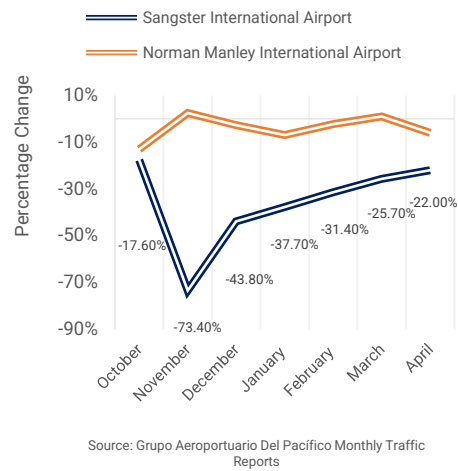
also be supported by marketing activities in major source markets, which reinforce that

Jamaica's tourism sector is back in business. The Ministry of Tourism and the JTB have intensified efforts to diversify Jamaica's tourism source markets, while simultaneously expanding airlift capacity to improve long-term resilience in the sector. The strategy includes customised destination marketing and expanded digital promotion campaigns. In South America, it has undertaken targeted marketing missions aimed at securing new airline partnerships, increasing seat capacity to deepen Jamaica's penetration of the Latin American market. Strategic partnerships with regional tour operators in Colombia, Mexico, Argentina, Brazil, Peru and Chile, alongside ongoing discussions with carriers such as Avianca and Wingo Airlines to expand connectivity between Jamaica and major South American hubs, further support the diversification efforts. The JTB has also identified India, the Middle East and Eastern Europe as strategic growth markets under its broader tourism roadmap targeting 8 million annual visitors by 2030. These diversification efforts are already yielding some results, with stopover arrivals from Latin America and Asia increasing by 25.7% and 6.9% YTD, respectively, partially offsetting weakness in traditional source markets.

Like a seasoned fighter in the ring, Jamaica's tourism sector may have been forced onto the back foot in the near term, but its resilience, adaptability, and strategic adjustments suggest it still has the stamina to go the distance. The U.S.-Iran war has indeed pushed energy prices higher, and with it, the operating costs for airlines and cruise operators. However, Fitch Solution's BMI Research base-case estimates suggest that a long-term agreement could be

reached within the second half of 2026. Against this backdrop, we foresee a rebound in arrivals for the 2027 winter tourist season, supported by continued efforts to diversify source markets while simultaneously targeting the return of visitors from key markets, expanding airlift capacity to bolster the island's connectivity. The restoration of tourism infrastructure post-Hurricane Melissa also bolsters the outlook. The island continues to thrive in both air and cruise travel, and is one of the most connected Caribbean destinations in terms of flight frequencies in the region. Moreover, Jamaica's strong tourism brand could attract more North American travellers seeking closer-to-home vacation destinations, given higher fares, while also supporting increased visitor arrivals from the wider Latin American market through the targeted marketing initiatives. Ultimately, while external shocks may weigh on tourism performance in the near term, Jamaica's ongoing recovery efforts, market diversification strategy, and global appeal as a premier Caribbean destination should position the sector for a gradual rebound over time.

Figure 1: Change In Monthly Year-on-year International Terminal Passengers



³ The company's wholly owned Spanish subsidiary, DCA, holds a 74.5% stake in MBJA, the concessionaire responsible for operating, maintaining, and developing Sangster International Airport in Montego Bay. They also assumed control and management of NMIA on October 10, 2019.

Foreign Exchange Market

The Jamaican dollar (JMD) depreciated by 0.5% against the USD, with the weighted average selling rate for US\$1 increasing to J\$158.93 on May 8, 2026. The BOJ is set to intervene on Thursday, May 21, 2026, and Friday, May 22, 2026. The amount to be offered will be announced on the day before each auction.

Selling	Close: 1/5/2026	Close: 8/5/2026	Change
J\$/US\$1	\$158.21	\$158.93	\$0.72
J\$/CDN\$1	\$116.28	\$117.81	\$1.53
J\$/GBP£1	\$216.26	\$218.62	\$2.36

Global Bond Market

Global markets remained heavily influenced by the ongoing U.S. conflict with Iran, as geopolitical tensions continued to fuel concerns surrounding inflation, energy security and the broader global growth outlook.

Oil prices surged late last week following renewed clashes between U.S. and Iranian forces, undermining hopes for a durable ceasefire. Brent crude approached US\$100 per barrel, while WTI crude neared US\$98 per barrel amid concerns that continued disruptions in the Strait of Hormuz could materially constrain global energy supplies. The International Energy Agency (IEA) estimated that approximately 14 million barrels of oil per day are currently being impacted by the conflict, reinforcing fears of a prolonged global energy shock. As a result, markets increasingly view the conflict as more than a temporary geopolitical event, but rather as a broader supply-driven shock with significant implications for inflation, inflation expectations, monetary policy, and global economic growth.

Notably, U.S. Federal Reserve (Fed) officials warned that sustained high oil prices and worsening supply chain disruptions could contribute to more persistent inflationary pressures, similar to those experienced during the COVID-19 pandemic. Businesses reportedly continue to face rising shipping and input costs as disruptions across key trade routes intensify, with a New York Fed measure of global supply chain pressures rising to its highest level since mid-2022. These concerns were reinforced by stronger-than-expected inflation data, as the Fed's preferred inflation gauge, the Personal Consumption Expenditures (PCE) Price Index, accelerated to 3.5% in March 2026, while core inflation also moved higher. Consequently, expectations for near-term interest rate cuts remain subdued, with markets increasingly pricing in an extended Federal Reserve pause amid growing risks of a "higher-for-longer" interest rate environment.

Meanwhile, U.S. labour market conditions remained relatively stable despite the increasingly uncertain macroeconomic backdrop. U.S. private payrolls rose by 109,000 jobs in April 2026, marking the strongest monthly increase in 15 months and exceeding market expectations. The unemployment rate held at 4.3%, further proof that the labour market has reached a point where only modest job creation is needed to keep the jobless level steady, given little growth in the labour force. Although the labour market continues to show resilience, economists cautioned that the broader outlook remains

vulnerable to prolonged geopolitical tensions, rising energy costs and tighter financial conditions.

U.S. Treasury yields eased slightly as investors digested a solid April jobs report while monitoring global inflation and oil prices. The 10-year yield edged down from 4.38% to 4.36%. However, emerging market (EM) Sovereign bond yields were mixed as Jamaican bonds declined as their prices appreciated, while Dominican Republic bonds saw modest appreciation.

	Currency Rating	Indicative Price	Yield	Recommendation
ABT (4.65%) 2036 (NEW) ⁴	A+/ Stable	\$100.25	4.62%	BUY
Airbnb (5.25%) 2036 (NEW) ⁵	BBB+/ Stable	\$103.25	4.83%	BUY
Amazon (4.55%) 2033 (NEW) ⁶	AA-/ Stable	\$101.50	4.68%	BUY
Amazon (4.65%) 2035 (NEW) ⁷	AA-/ Stable	\$101.75	4.25%	BUY
Amazon (4.875%) 2036 (NEW) ⁸	AA-/ Stable	\$100.50	4.58%	BUY
Bahamas (6.63%) 2033	BB-/ Stable	\$106.50	5.49%	BUY
Bahamas (8.25%) 2036	BB-/ Stable	\$116.00	6.10%	BUY
Bahamas (8.95%) 2032	BB-/ Stable	\$116.75	5.78%	BUY
Barbados (8.00%) 2035	B+/ Positive	\$110.75	6.42%	BUY
Bermuda (4.75%) 2029	A2/ Stable	\$103.75	3.31%	BUY
Blackstone (6.00%) 2032	BBB-/ Positive	\$101.50	5.69%	BUY
Block Inc (6.00%) 2033	BB+/ Positive	\$103.75	5.37%	BUY
DOMREP (5.50%) 2029	Ba2/ Stable	\$103.75	4.05%	BUY
DOMREP (5.75%) 2034	Ba2/ Stable	\$101.50	5.51%	BUY
DOMREP (5.88%) 2035	Ba2/ Stable	\$101.50	5.67%	BUY
DOMREP (6.15%) 2038	Ba2/ Stable	\$101.00	6.03%	BUY
DOMREP (6.95%) 2037	Ba2/ Stable	\$108.25	5.91%	BUY

⁴ Issuer- Abbott Laboratories, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 4.65%, **Coupon Payment**- Semi-annually, **Maturity** - September 16, 2036, **Risk Profile** - **Conservative**

⁵ Issuer- Airbnb Inc Industry-Alternative Accommodation, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 5.25%, **Coupon Payment**- Semi-annually, **Maturity** - March 16, 2036, **Risk Profile** - **Conservative**

⁶ Issuer- Amazon Inc Industry-Retailers, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 4.55%, **Coupon Payment**- Semi-annually, **Maturity** - March 13, 2033, **Risk Profile** - **Conservative**

⁷ Issuer- Amazon Inc Industry-Retailers, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 4.65%, **Coupon Payment**- Semi-annually, **Maturity** - November 20, 2035, **Risk Profile** - **Conservative**

⁸ Issuer- Amazon Inc Industry-Retailers, **Type**- Senior Unsecured, **Callable**-Yes, **Coupon Rate**- 4.875%, **Coupon Payment**- Semi-annually, **Maturity** - March 13, 2036, **Risk Profile** - **Conservative**

	Currency Rating	Indicative Price	Yield	Recommendation
GEOPARK (8.75%) 2030	B+/ Stable	\$103.50	7.64%	BUY
Goldman Sachs Private Credit (5.875%) 2031	BBB-/ Stable	\$101.75	5.45%	BUY
Jefferies (6.25%) 2036 (NEW) ⁹	BBB/ Stable	\$106.00	5.44%	BUY
Kingston Airport Revenue (6.75%) 2036	Ba3/ Negative	\$104.50	6.16%	BUY
Minerva (4.38%) 2031	BB/ Stable	\$85.65	6.07%	BUY
NCBFG (11.0%) 2030	B+/ Stable	\$104.98	10.83%	BUY
NRG (3.88%) 2032	BB+/ Stable	\$95.50	4.78%	BUY
NRG (6.00%) 2033	BB+/ Stable	\$103.75	5.33%	BUY
NRG (6.125%) 2036	BB+/ Stable	\$102.50	5.79%	BUY
NRG (6.25%) 2034	BB+/ Stable	\$104.50	5.57%	BUY
Petro Rio (6.75%) 2030	BB-/ Positive	\$103.00	5.96%	BUY
TRANSJAM (5.75%) 2036	BB/ Positive	\$95.25	6.38%	BUY
Trinidad and Tobago (6.50%) 2036 (NEW ISSUE)	BBB-/ Negative	\$106.50	5.62%	BUY
BANORTE (5.75%) 2031	BB-/ Positive	\$103.00	5.10%	SELL
FRICON (7.7%) 2028	CCC/ RWN	\$22.75	919.61%	SELL
NFE (6.5%) 2026	SD	\$22.75	919.61%	SELL

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	102.75	4.77%
	2036	116.00	6.29%
	2039	119.3	5.73%
	2045	119.3	6.15%

*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	8.15%	100.35	8.02%
SJPC	2032	8.85%	103.75	8.18%

Money Market

Liquidity in the JMD money market, as measured by the aggregated current balances held by Deposit-Taking Institutions (DTIs) improved. As at May 8, 2026, the total aggregate current balance was J\$42.5Bn, a 12.9% increase compared to the previous week J\$37.6Bn.

Last week, the Bank of Jamaica's (BOJ) 30-day Certificate of Deposit (CD) auction was oversubscribed with total bids received amounting to J\$32.39Bn for a total offer amount of J\$22.00Bn at a 1.47x bid-to-offer ratio. This represents a 21 basis point (bps) increase from the previous week's 1.26x ratio, as the offer size decreased by 37.1% or J\$13.00Bn relative to the previous week. The average yield, however, remained at 5.70%, the same as the prior week's outturn. The next CD auction is scheduled for Wednesday, May 13, 2026.

The BOJ also conducted a 14-day repo auction on May 4, 2026, offering J\$3.00Bn in liquidity. Total bids received was J\$3.0Bn, giving a 1.0X bid-to-offer ratio. The weighted average yield settled at 5.57%, which is a 17 bps decline compared with the prior auction's average of 5.74%. The next auction for 14-day repos is scheduled for Monday, May 11, 2026.

Lastly, the Government of Jamaica (GOJ) announced the results of its three Government of Jamaica Treasury Bills (GOJ T-bills) auction held on May 6, 2026. The auction was oversubscribed with the 91-days and 182-days bills totalling bids of J\$1.72Bn and J\$2.03Bn, respectively, compared to the offer size of J\$700.00Mn. Similarly, the 273-day bill was oversubscribed with a bid amount of J\$2.38Bn, 196.9% above the offer size of J\$800.00Mn. The average yields amounted to 5.67769%, 5.68949% and 6.05167%, respectively. The next auction of the Government of Jamaica Treasury Bills is scheduled for Wednesday, June 3rd, 2026.

⁹ Issuer- Jefferies Financial Group Industry-Broker Asset Managers, Exchanges, Type- Senior Unsecured, Callable-No, Coupon Rate- 6.25%, Coupon Payment- Semi-annually, Maturity – January 15, 2036, Risk Profile - Conservative

Dates to Watch This Week

International
 Local

May 2026

MON	TUE	WED	THUR	FRI
11	12	13	14	15
	US Consumer Price Index Data - April	US Producer Price Index Data - April	JSE X-Dividend Date (\$0.09) ASBH Pref shares dividend payment (US\$0.0150)	SEP X-Dividend Date (\$0.605) Consumer Price Index - STATIN BRG AGM - Courtyard by Marriott Hotel
			UK GDP Q1 2026	

Recommendations

Ticker	Closing Price (May 12, 2026)	P/E	Avg. Sector P/E	Current Recommendation
WOODCATS	\$0.82	11.7x	23.5x	BUY
SVL	\$16.60	21.5x	21.5x	BUY

Prices and yields are indicative. For further information on the recommendations outlined in this publication, including suitability considerations and detailed investment insights, clients are encouraged to contact their NCB Capital Markets Wealth Advisor. Your Wealth Advisor can provide personalised guidance aligned with your investment objectives, risk tolerance and portfolio strategy. Additionally, see the Disclaimer on page 8.

Unit Trusts

Fund	Fund Composition	Price/ NAV\$	12 Month Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
NCB Capital Markets Limited (NCB CAPFUNDS)			NAV* AS AT May 08, 2026		
O Money Market Fund (M Fund)	F	16.5842	5.97%	1.98%	4.80%
O Income Optimizer Fund (iO Fund) ◊	F	15.5920	5.83%	1.22%	3.51%
Caribbean Equity Fund (E Fund) †	E	26.7875	-5.68%	0.99%	8.26%
◊ Real Estate Fund (rE Fund) †	R, F	17.5763	17.78%	3.70%	2.25%
O USD Money Market Fund (xM Fund)	F	1.2463	3.31%	0.94%	2.27%
O USD Bond Fund (xB Fund)	F	1.3474	1.61%	0.42%	2.34%

Key: O = Tax Free (special conditions apply) · ☆ = Tax Free · † = Sales commission/front end fee up to 2% · ◊ = Non-Diversified Unit Trust · F/E/R = Fixed Income, Equity, Real Estate

Regional News

Trump Administration Issues License Facilitating Venezuelan Debt Restructuring

The US Treasury Department has issued a sanctions waiver allowing the provision of services related to the restructuring of Venezuelan debt. General License 58 (GL58), issued on Tuesday, authorizes the provision of “legal, financial advisory, and consulting services” to the Venezuelan government and state oil company PDVSA in relation to “potential restructuring of debt” owed by the Venezuelan state, PDVSA, and PDVSA affiliates. The license does not allow creditors to transfer or settle debt, nor directly engage with Venezuelan authorities. It additionally forbids any payment to consultants using cryptocurrencies or gold.

The Trump administration’s latest move is a necessary step to locate creditors and assess the size of Venezuela’s foreign debt, estimated to be as high as US \$170 billion, split between defaulted bonds, unpaid loans, and international arbitration awards. Venezuelan bonds, which have steadily increased in value in recent months, rallied again on Tuesday as investor confidence in a restructuring deal grows. Bonds that fell below 10 cents on the dollar are currently trading between 40 and 60 cents on the dollar. Creditor groups have also held meetings with the Trump administration as they seek to engage Caracas.

Though the Nicolás Maduro government prioritised debt service after the Venezuelan economy fell into deep recession after 2014, US economic sanctions beginning in 2017 accelerated the economic tailspin and shut Venezuela out of financial markets, making debt

payments impossible. The defaulted state and PDVSA bonds, estimated at around \$66 billion, have been accruing interest ever since.

Caracas also reestablished ties with the International Monetary Fund (IMF) and the World Bank in April. Economy vice president Calixto Ortega was recently appointed as the country’s representative before the IMF. Venezuelan leaders have stated that their priority is to access around \$5 billion in IMF-issued Special Drawing Rights to address urgent needs in public services and infrastructure. Rodríguez has stated that there are “no plans” to contract an IMF loan, though a debt-restructuring agreement would place a significant burden on Venezuelan finances. The government’s budget for 2026 was estimated at around \$20 billion. For her part, IMF managing director Kristalina Georgieva stated that the Washington-based institution is willing to support a loan program for Venezuela but that clarity on economic data and external debt is a necessary prior step.

Source ~ Caribbean News Global

Guyana-Brazil Trade Surges To US\$1 Billion As Economic Ties Deepen

Guyana’s trade relationship with Brazil has expanded sharply, rising from about US\$58 million in 2020 to an unprecedented US\$1 billion in 2026, according to Brazil’s Ambassador Maria Cristina de Castro Martins. The growth reflects increasing economic integration between the two South American neighbours, as both countries prepare for a high-level business forum aimed at boosting investment, strengthening trade links, and advancing Guyana’s engagement with the regional bloc MERCOSUR.

Speaking in an interview on 104.1 Guyana Lite FM on Wednesday, Castro Martins described the increase as a “significant expansion” in trade flows over the past four years, driven largely by complementary

sectors and rising demand tied to energy, mining, and infrastructure development.

Guyana's exports to Brazil remain heavily concentrated, with crude oil accounting for about 98 per cent of shipments. In contrast, Brazil's exports to Guyana are dominated by industrial inputs, with roughly 80 per cent made up of machinery and equipment for construction, extractive industries, oil production, and mining. "The trade relations between both countries have been expanded significantly in recent years. The trade flow, which was around US\$58 million in 2020, now reached US\$1 billion," the ambassador said. Beyond trade figures, the ambassador framed the relationship within a broader strategic context, pointing to Guyana's position as a "gateway to the Caribbean" and Brazil's role as a natural bridge to South American markets. She argued that improved connectivity could benefit both economies and support diversification of trade flows.

The comments come ahead of a high-level business forum scheduled for Monday, May 11, hosted by the World Trade Centre Georgetown in collaboration with the Embassy of Brazil. The event is expected to highlight new trade and investment opportunities while reinforcing Brazil's support for deeper economic and institutional engagement between Guyana and MERCOSUR, where Guyana currently holds associate status.

Source ~ Caribbean National Weekly

International News

Oil Prices Surge After Trump Rejects Iran Peace Offer

Oil prices have risen after President Donald Trump said Iran's response to US proposals to end the war was "totally unacceptable". Tehran sent its response via Pakistan, which has served as a mediator between the two sides, calling for an immediate end to the conflict and guarantees of no further US-Israeli attacks on Iran, according to Iran's semi-official Tasnim news agency. International oil benchmark Brent rose by 4.1% to \$105.50 (£77.60) a barrel in Asian trade, before falling slightly.

The President did not disclose details of Iran's response, but he has repeatedly warned that if an agreement is not reached quickly, then renewed military escalation would be the next step. The Iranian proposal, which was submitted on Sunday morning, reportedly called for an immediate end to the war on all fronts, Iran's management of the Strait, and an end to the U.S. blockade on Iranian exports. U.S. allies in the region have made it clear that Iranian control of the Strait, or any sort of toll, would be entirely unacceptable as an outcome.

In a social media post several hours before his rejection of the deal, President Trump had accused Iran of 'playing games' with the U.S. by using delay tactics, suggesting his patience with the peace talks may be wearing thin. Markets will now be focusing on Trump's visit to Beijing on Wednesday, where discussions are sure to include Iran and whether Beijing will use its influence over the country to somehow reopen the Strait of Hormuz. Oil prices remain significantly below last week's levels when reports of a potential peace deal first broke, and while there is plenty of upside risk if talks completely break down, hopes of a Chinese intervention should cap gains in the short term.

Source ~ Oil Now

China Energy Imports Drop In April Amid Iran War As Fuel Exports Hit Decade Low

China's oil imports fell to the lowest level in almost four years in April as the closure of the Strait of Hormuz choked off supplies to the world's largest oil importer. Crude oil imports fell 20% in April to 38.5 million metric tons compared to a year earlier, hitting their lowest level since July 2022, according to customs data released on Saturday. China imports roughly half of its crude oil from the Middle East, where the closure of the strait has slashed the number of tankers carrying oil and refined products to the world. The data from China does not distinguish between oil arriving by sea and oil coming in via pipeline. Data from ship-tracking firm Kpler, however, puts seaborne crude imports at 8.03 million barrels per day, also the lowest since July 2022. Despite the decline in imports, ship tracker Vortexa estimates crude inventories rose by 17 million barrels in April, although it said those would fall in May.

The disruption in the Middle East has led China to tightly manage exports of refined products such as gasoline or jet fuel to protect its domestic market. That policy drove refined oil product exports for April down to their lowest in roughly a decade at 3.1 million tons, down by about a third since March.

This may still overestimate how much is going to customers in Asia and elsewhere because the data includes shipments to Hong Kong, typically a major destination for China's refined products and excluded from the export controls. Natural gas imports also fell by 13% to 8.42 million tons, although the data does not separate seaborne liquefied natural gas (LNG) from gas piped overland. China imports significant quantities of LNG from the Middle East Gulf. China's crude oil imports for the first four months of the year are still tracking 1.3% above last year's level at 185.3 million tons.

Source ~ Reuters

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