NCB CAPITAL MARKETS LIMITED

May 29, 2023

Market Guide

THIS ISSUE

Ask and Bid - This refers to a two-way price quotation that indicates the best potential price at which a security can be sold and bought at a given point in time. The "Bid" price represents the highest price a buyer is willing to offer and pay for an asset. The "Ask" price is the lowest price a seller is willing to accept for an asset.

Annya Walker, CFA
VP Strategy Research
Innovation & Projects
(876) 935-2716
walkerad@jncb.com

Jamelia Jalaalwalikraam
Manager, Research
Jalaalwalikraamjt@jncb.com

Chivel Greenland, FRM, FMVA
Senior Research Analyst
greenlandcy@jncb.com

Oneka Taylor-Marshall, FMVA, CMSA
Research Analyst
tayloron@jncb.com

David Bailey, CBCA
Research Analyst
baileydj@jncb.com

Thea Christian, CBCA, FMVA, CMSA
Research Analyst
HowardTA@jncb.com

Dave Gilzene, FMVA, CMSA
Research Analyst
GilzeneDH@jncb.com

Sarayis Campbell, FMVA
Research Analyst
CampbellSM@jncb.com

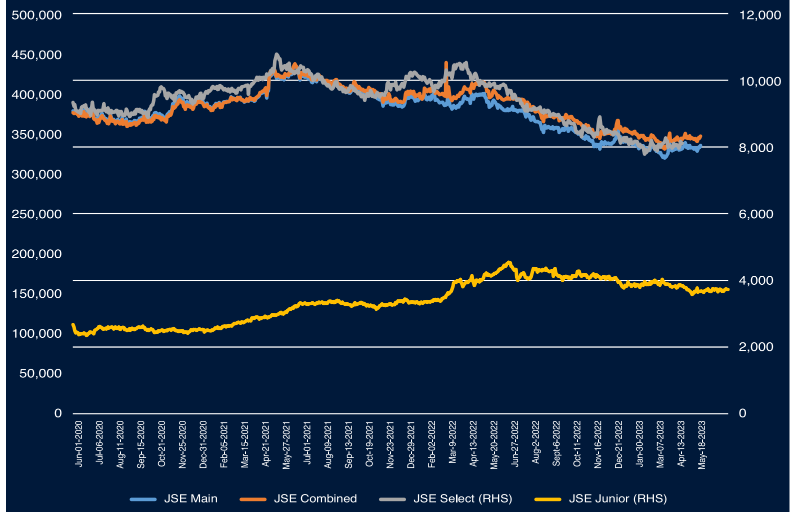
NCB Capital Markets Ltd | NCB Capital Markets (Barbados) Ltd
NCB Capital Markets (Cayman) Ltd. | NCB Merchant Bank (Trinidad & Tobago) Ltd

Real Resilience

Earnings season is well underway with all real estate companies listed on the Jamaica Stock Exchange (JSE) presenting their YTD performance for the period ended February/ March 2023. The results are divergent, with some companies revealing an improved performance and some a decline in net profit or a loss. The higher net profits were driven by an increase in rental income as occupancy rates recovered after the pandemic, and improved property valuations in line with rebounding economic conditions and inflation. However, the higher expenses incurred by some companies (Sagicor XFund and Sygnus Real Estate) weighed more heavily on their bottom line. The forecast resilience of the real estate sector, wage adjustments, and plans being instituted by listed companies to expand their footprint and revenues, will drive future financial performance. Although attractive interest rates have led to a level of investor flight from the luxury USD market into short-term financial instruments, there remains steady demand in the commercial space driven by investments in the Business Process Outsourcing (BPO) segment, a still robust tourism sector, positive domestic growth, as well as a strong labour market. These factors, among others, should continue to fuel further property investments and income, which should lead to more value for investors.

Owing to a mixture of drivers such as higher revenue and a reduction in expenses, the bottom line of Eppley Caribbean Property Fund Ltd. SCC (ECPF), Stanley Motta Ltd., 138 Student Living Jamaica Ltd. (138SL), and Kingston Properties Ltd. (KPREIT) grew year-over-year (YoY) for the period ending March 31, 2023. ECPF reported the highest gains, with a net profit of BBD6.21Mn, up 54.1% YoY. This was driven by a 40.3% increase in total investment income, supported by higher interest income and growth in its fair value gains on investment property bolstered by its acquisition of the Chalmers property which was completed during the second quarter of the 2022 FY. Notably, Net Operating Income (NOI) attributable to shareholders, a metric which measures the Fund's share of rental income less its operating expenses, grew by 21%, primarily attributable to the additional income generated from this acquisition. Stanley Motta followed with a 43.6% net profit growth, driven mainly by a 38.6% decline in its admin expenses. This decline was mainly due to a significant decrease in the FX loss of J$19M recognized in Q1 2022 arising from the revaluation of its USD-denominated loan. Although revenue increased, it was marginal (+0.8%), driven by the stability in the USD/ JMD rate over the quarter as the company earns its rental income in USD and it maintained its occupancy level. Recovering quickly due to the return of face to face teaching at the UWI Mona campus, 138SL saw a 92% peak in room

WEEKLY MOVEMENT IN INDICES



MOVEMENT IN INDICES

JSE Indices	Closing Levels	WoW % Change	YTD % Change
Combined Index	348,830.07	1.95%	-5.4%
Main Market Index	337,061.22	2.15%	-5.3%
Select Index	8,164.27	1.96%	-8.2%
Junior Market Index	3,750.17	0.10%	-5.9%

WINNERS & LOSERS (FOR THE WEEK ENDED MAY 26, 2023)

	$ Change	% Change
MTL	+$3.31	+32.7%
CPFV	+$0.56	+29.2%
SRFUSD	-$26.01	-30.2%
MPCCEL	-$0.65	-26.0%

MARKET OVERVIEW

Despite steady improvements in the inflation and interest rate environment, the stock market remains volatile. Following the downswing in the previous week (8/9 indices declining), last week's (week ended May 26, 2023) trading activity resulted in a majority of the indices (8/9) advancing, save for the JSE USD equities index. Although this is left to be seen on a consistent basis, this performance begs the question of whether or not investors began to react to the continued improvement in the inflation rate, which is now for the first time since July 2021, within the BOJ's target range at 5.8%. The performance of the stock market should improve as expectations of lower inflation continue to drive down current and expected market interest rates, which augurs well for valuations. However, with other factors at play, such as investor sentiments and seasonal trends given that now is the time that some persons "sell in May and go away"[1] the performance over the next few months will bear testament to which of these opposing factors triumphs.

The JSE Manufacturing & Distribution Index saw the greatest advancement (2.73%) of all the indices last week. Of note, the three (3) largest market capitalization stocks for the index – WISYNCO, SEP and GK were up last week advancing by 10.99%, 2.62% and 0.12% respectively. While there is no direct news to support the improvement, all 3 companies notably saw improved profitability in their latest financial releases earlier in the month. Wisynco saw a 23.8% increase in profits for their 9 months ended March 31, 2023, while SEP and GK saw net profit increase by 127.8% and 20.7% respectively in Q1 ended March 31, 2023. Wisynco's performance was driven by a 26.9% increase in revenues due to higher demand for their products and an increase in its production capacity to meet the increasing demand while Seprod achieved a 129.2% rise in revenues driven by continued growth in the Trinidad and Guyana markets, acquisition of A S Bryden & Sons Holding, a 25% increase in export sales and organic growth in the domestic market due to post COVID-19 economic recovery. GK also saw revenues grow by 7.8% driven by an improvement in all business segments along with lower logistics and freight rates which helped to contain costs. On the other hand, a 15.0% WoW decline in PBS shares contributed to the decline of the JSE USD equities Index.

Market activity was influenced by trading in 126 stocks of which 52 advanced, 59 declined and 15 traded firm. Market volume amounted to 133,381,604 units valued at over $463,892,649.76, up from the 118,377,376 units in the previous week. Paramount trading Ltd (20.81%), Fosrich Co. Ltd. (13.97%) and Transjamaican Highway Ltd (12.59%) were the volume leaders.

1. Sell in May and go away" is a stock market adage based on stocks' historical underperformance during the six-month period from May to October.

occupancy, supporting the 15.7% revenue increase it experienced YoY. Its short-term rental business, also supported income, contributing $61.0Mn for the first 6 months compared to $23Mn for the corresponding period in FY2022. The combination of these factors resulted in total income outpacing the rise in administrative expenses to foster a 16.7% increase in net profit. KPREIT recorded a similar 16.7% YoY net profit increase for the period driven by its 7.8% rental income growth which came on the back of higher occupancy levels at its properties in Jamaica and the Cayman Islands, as well as rate increases based on select property improvements. The increased bottom line for ECPF, 138SL and KPREIT was tempered by higher expenses. Higher admin expenses were the major drivers with that of ECPF and 138SL growing 898.9% and 29.7%, respectively. For KPREIT, group operating expenses, which include direct property and administrative expenses, increased by 4.0% YoY, driven by higher insurance costs along with an increase in the company's staff complement, and tempered by a reduction in direct property expenses from a reduced US condo portfolio.

On the other hand, Firstrock Real Estate Investments Group (FREI) and Sagicor Real Estate X Fund Ltd. reported lower YoY net profit, while Sygnus Real Estate Finance Ltd. (SRF) recorded losses. Despite a 38.6% decline in FREI's total expenses due mainly to lower depreciation & amortization expenses and no reported performance-based fee, net profit declined 90.5% YoY for the 6 months ended March 31, 2023. A reduction in property income (-75.0%), realized and unrealized gains (-76.2%) and rental Income (-50.3%) drove the lower bottom line. However, a 328.2% increase in investment income tempered the fall off. XFund saw a 23.6% decrease in net profit, driven by capital losses of $51.72Mn from fair value and foreign currency losses on investment securities, along with a 19.0% increase in total expenses. This performance was tempered by the continued resurgence in its hotel operations, contributing to a 16.7% increase in revenues. The upturn in worldwide travel, for both business and leisure, contributed to a $328.43Mn increase in hotel revenues, 19% above Q1 2022. The Group also increased earnings in net investment income, from a combination of higher interest-earning assets and an increase in interest rates. SRF the only company in the sector with a negative outturn for the review period, reported a greater net loss of -$301.87Mn up from a loss of $124.73Mn in the prior year, driven by the 62.9% YoY decline in total investment income or core revenues. This was influenced by higher net interest expense due to greater use of debt to finance growth in real estate investment assets relative to last year. The bottom line was also impacted by a 21.4% increase in total operating expenses impacted mainly by higher commitment fee.

In spite of the still high-interest rate environment, the real estate sector is expected to remain resilient, driven by diverse demand across various sub-segments. In the luxury residential market there has been some level of investor flight because of the attractive yields provided by financial instruments bearing short tenors, as it limits the need to lock up liquidity in real estate investments for high returns. This may be in part driving the decline in demand for luxury apartments and townhouses listed in USD. Notwithstanding the declining demand for luxury condominiums and townhouses, developers continue construction within this segment unabated. A part of the resilience of the property market is sustained by overseas residents and investors who are seeking capital appreciation and a low risks asset segment as a robust value store[1] compared to other investment opportunities. In the commercial segment, construction and demand remain steady in the BPO and warehouse/distribution industries, while small and medium-sized retail spaces continue to experience strong demand. The BPO segment demand is being supported by new BPO facilities being constructed as the outsourcing market remains attractive to foreign investors due to Jamaica's location, labour force costs and skills. 50.0% of the increase in employment last year was driven by new entrants to the BPO sector. Additonally, the demand in the warehouse/distribution industries is supported by the expansion of facilities to meet demand, and shore up capacity to reduce the impact of future supply chain challenges.

Although attractive interest rates have led to a level of investor flight from the luxury USD market into short-term financial instruments, there remains steady demand in the commercial space driven by investments in the Business Process Outsourcing (BPO) segment, a still robust tourism sector, positive domestic growth, as well as a strong labour market. These factors, among others, should continue to fuel further property investments and income, which should lead to more value for investors.

Wage changes, demand dynamics

1. Real estate has an inflation hedging characteristic, which helps the sector to keep pace with the rise in inflation.

at play in the real estate sector, and company-specific plans will drive the performance of these listed companies in the near to medium term. Based on the budget presentation by the Government of Jamaica for the 2023/ 2024 fiscal year, a rate increase was granted to the security industry as well as an announced minimum wage increase. These increases are expected to raise expenses for companies in the sector. However, on a positive note, most companies have plans to expand their real estate portfolio which should support profitability. In light of the demand for outsourced services, SML has commenced the construction of a 10-storey building that will be marketed to outsourcing firms and seekers of office space for rent. The company is looking forward to the progressive development of this project which is expected to significantly boost revenue and profits. KPREIT will continue to expand its portfolio of assets in 2023 with an increased focus on value-added and greenfield assets. Execution of its first greenfield project in Jamaica has begun and ground breaking is slated to occur by Q2 2023. In the Cayman Islands, another greenfield project is progressing steadily and is expected to be completed in mid-2023. Other sites have also been identified for mini-warehouse projects in Jamaica and Cayman Islands. Firstrock has a pipeline of commercial opportunities throughout the region, including a commercial development in Jamaica, which will drive the Group's property income and help to generate positive net cashflows in the short to medium term. Despite the high interest rate environment, elevated global inflation rates, and recessionary fears, the latest US Travel forecast has projected that consumer spending, especially in leisure travel would remain resilient. This, backed by the level of domestic leisure travel spending, which after being adjusted for inflation, has already surpassed pre-pandemic levels, will continue to support XFund's revenue growth. Additionally, SRF's pipeline projects such as the One Belmont Road facility will bolster revenue and company growth. These ventures will support bottomline expansion if costs are contained. This, along with the resilience of the sector, could result in increased shareholder value through higher net asset values and share price appreciation.

Foreign Exchange Market

The Jamaican dollar depreciated week over week by 0.04%, moving from a selling rate of $155.27 on May 19, 2023, to $155.33 on May 26, 2023. This slight depreciation reflects a slightly higher asking price for USD from market participants.

Selling	Close: 19/05/23	Close: 26/05/23	Change
J$/US$1	$155.27	$155.33	+$0.06
J$/CDN$1	$115.20	$115.52	+$0.32
J$/GBP£1	$194.34	$192.57	+$1.77

GOJ Globals

Ticker	Maturity	Bid	Offer Yield*
JAMAN	2028	105.29	5.50%
	2039	120.18	6.00%
	2045	116.11	6.49%

*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.

Local Corporate Bonds

Name	Maturity	Coupn	Price	Yield
SJPC	2032	8.85%	104.00	8.22%
BDHR	2027	8.15%	100.50	8.00%
PBS	2025	6.50%	101.00	6.13%

Money Market

As of May 25th, a total of J$29.1Bn was in the market, as represented by the BOJ's aggregated current balances. The aggregated closing current account balance increased by J$11.2Bn from J$17.9Bn week over week as there was no BOJ FX intervention during the week to absorb JMD dollars, while the BOJ auction in the market brought out additional liquidity.

For the first time in 10 weeks, the average yield from the BOJ's competitive price auction increased to 8.24% versus 7.96% in the prior week. The auction was oversubscribed; bids received totaled J$35.1B relative to the offer size of J$35B indicating a bid-cover ratio of 1.0028. The highest bid rate for full allocation was 10.50%, which is an increase from 8.049% in the prior week. The next auction date for the Bank of Jamaica 30 days CD will be held on the 31st of May. The low bid-cover ratio was likely influenced by the diversion of funds to the GOJ 9.625% 2031 auction which was oversubscribed with bids received totalling J$11.9B, for an offer size of J$2B. Investors likely chose to lock-in the higher rate for the longer maturity instrument, given expectations for interest rates to fall as inflation stabilizes at a lower rate. The average yield from the auction was 8.355%, with the highest bid rate for full allocation being 8.40%. The GOJ 10.00% 2028 auction was also oversubscribed: bids received totaled J$19.4B relative to an offer size of J$6B. The average yield from the auction was 8.56%, with the highest bid rate for full allocation being 8.745%.

The USD money market remained stable and moderately liquid. Broker market demand for USD has increased for longer-tenured funds. The BOJ Governor, Mr. Byles, advised that the foreign exchange market remains "relatively stable" and the Bank projects that the gross reserves will continue to remain adequate in the medium-term. Year to date the BOJ has sold approximately US$410Mn via its BFXITT facility. Considering the forecast for reserves, the Bank remains in good position to support FX market stability.

Global Bond Prices

Global bonds further declined week-over-week for the second consecutive week as the debt ceiling talks between the White House and House Speaker Kevin McCarthy's continued which impacted the markets and resulted in an overall dovish week. Fitch placed the U.S. AAA rating on Credit Watch Negative due to the ongoing negotiations surrounding the debt ceiling which would impact the country's ability to pay its obligations. Notably, if the debt ceiling is not raised and the U.S. Treasury does not have the ability to pay its obligations, the negative economic effects would quickly mount and risk triggering a deep recession and financial market catastrophe. The latest news indicates that President Biden and Kevin McCarthy reached a tentative deal to raise the federal government's $31.4 trillion debt ceiling on Saturday evening, ending a months-long stalemate. However, the deal was announced without any celebration, reflecting the bitter duration of the negotiations and the difficult path it still has to go to pass through Congress before the United States runs out of money to pay its debts in early June.

The increase in personal income is also impacting the bond market, given that it signals higher spending which will contribute to upward pressures on inflation and possibly influence further monetary policy actions. Personal income increased 0.4% month-over-month in April (consensus 0.4%) following a 0.3% increase in March. Personal spending increased 0.8% month-over-month (consensus 0.4%) following an upwardly revised 0.1% increase (from 0.0%) in March. The PCE Price Index increased 0.4% month-over-month (consensus 0.3%) and was up 4.4% year-over-year versus 4.2% in March. The core-PCE Price Index, which excludes food and energy, was up 0.4% (consensus 0.3%) and was up 4.7% versus 4.6% in March. The key takeaway from the report is the combination of a robust 0.5% increase in real spending and the uptick in the year-over-year rates for the PCE Price Index and core-PCE Price Index. That combination will give the Fed more to think on as it relates to pausing its rate hikes in June. If inflation and inflation drivers do not trend downward as desired, the Feds will have to rethink pausing the interest rate hikes.

The 10Y Treasury Note closed at 3.79% from 3.69% stemming from the concerns around the debt ceiling and possible impact of personal spending on the Fed's decisions.

Bonds	Current Rating	Indicative Price	Yield	Recommendation
Sagicor Fin 2028 (5.30%)	BB-/ Positive	96.42	6.15%	BUY
TPHLTT 2029 (9.00%)	BB/ Stable	106.61	7.64%	BUY
BERMUD 2027 (3.72%)	A2/ Stable	99.06	3.99%	BUY
PRIO 2026 (6.13%)	BB-/ Stable	96.83	7.31%	BUY
ALSEA 2026 (7.75%)	Ba3/ Stable	101.34	7.31%	BUY
DomRep (6.6%) 2024	BB/ Stable	101.88	3.69%	BUY
DomRep (5.88%) 2024	BB/ Stable	101.44	4.19%	BUY
DomRep (5.50%) 2025	BB/ Stable	101.05	4.83%	BUY
DomRep (6.88%) 2026	BB/ Stable	103.44	5.46%	BUY
DomRep (8.63%) 2027	BB/ Stable	106.70	6.64%	BUY
DomRep (5.95%) 2027	BB/ Stable	100.11	5.91%	BUY
DomRep (5.50%) 2029	BB/ Stable	95.27	6.49%	BUY
DomRep (6.00%) 2033	BB/ Stable	93.36	6.95%	BUY
PAYPAL (2.85% 2029)	A-/Stable	90.41	4.61%	BUY
JAMAN (7.63%) 2025N	B+/ Positive	104.50	5.34%	BUY
NFE 2025 (6.75%)	BB-/ Stable	92.05	10.74%	HOLD
NFE 2026 (6.50%)	BB-/ Stable	88.40	10.72%	HOLD
FRICON (7.7%) 2028	B+/ Stable	78.93	13.51%	BUY
PROMERICA 2024 (9.70%)	B/ Positive	104.43	4.89%	BUY
BARCLAYS 2026 (5.75%)	A1/ Stable	100.60	5.46%	BUY

Dates to watch this week

International   Local

May-June 2023

MON	TUE	WED	THUR	FRI
29	30	31	1	2
	KPREIT Dividend Payment Date	SVL Annual/Extra-Ordinary General Meeting	Dolla Annual/Extra-Ordinary General Meeting	
	MPCCEL Annual/ Extra-Ordinary General Meeting)	GK Annual/Extra-Ordinary General Meeting	USD Manufacturing Purchasing Managers' Index (PMI) (May)	
		CAD GDP Q1 (YoY) (QoQ)	CAD Manufacturing PMI (May)	
			GBP Manufacturing PMI (May)	

Recommendations

Ticker	Closing Price (May 29)	P/E	Avg. Sector P/E	Current Recommendation
WISYNCO	$19.27	15.2x	14.5x	BUY
JBG	$34.51	9.1x	14.5x	HOLD
GK	$79.00	10.6x	10.3x	BUY
IPCL	$2.08	8.9x	22.0x	BUY
ECL	$5.07	20.2x	23.8x	BUY
CAR	$8.37	10.8x	14.5x	BUY
PBS	$1.45	30.3x	19.3x	BUY
FONTANA	$9.16	15.0x	21.6x	BUY
CPJ	$9.50	15.3x	14.5x	BUY
KW	$30.97	16.3x	15.0x	HOLD
FESCO	$4.10	18.1x	21.6x	BUY
TJHUSD	$0.01	11.4x	19.3x	BUY
TJH	$2.03	15.2x	15.0x	BUY
SOS	$15.16	15.3x	21.6x	BUY
KEX	$11.29	23.0x	23.8x	BUY
SALF	$3.23	20.2x	14.5x	SELL

Regional News

Cuba says no quick fix as Economic Crisis drags on (Reuters)

There is no quick fix for Cuba's sputtering economy, its economy minister said on Thursday, as inflation, fuel shortages, plunging farm production and a cash crunch drag on output and continue to fan discontent in the communist-run island nation. Economy Minister Alejandro Gil, in an hour-long presentation before newly elected lawmakers, said there was too little foreign currency on the island to pay for coveted fuel, food and farm imports, meaning Cuba would increasingly scrape by with what it can produce at home. "If we can´t produce it, we won´t have it," Gil told lawmakers, referring specifically to some food products and urging legislators and municipalities to put renewed impetus on farm output this year and next.

A severe economic crisis in Cuba, among the worst since Fidel Castro´s 1959 revolution, has led to shortages of food, fuel and medicine and contributed to a record-breaking exodus of migrants north to the United States. Tourism, once a key driver of much-needed foreign exchange, has struggled to revive, with visitor numbers between January and April this year at only half that of the same period in 2019, Gil said. That has left the country short of the foreign currency necessary to import critical farming necessities like fertilizer and animal feed. The production of pork for the state, for example, plunged from a record 199.7 tonnes in 2017 to just 16 tonnes in 2022, Gil said, as inputs dried up. Many fruits and vegetables have fared equally poorly, he said. Fuel that might otherwise help bolster farm production and deliver goods to market has been re-routed to electricity generation, Gil said. Cuba used nearly twice as much diesel as planned to produce electricity in the first four months of 2023, the economy minister added. Soaring food prices, due to inefficiencies and dwindling production, have far outpaced the buying power of most Cubans, Gil said, leaving many with salaries short of covering their "basic needs."

Mexican Economy grew for sixth consecutive quarter in Q1 (Reuters)

Mexico's economy grew for the sixth quarter in a row in the first quarter, data from Latin America's second-largest economy showed on Friday, with growth in line with market expectations. Gross domestic product (GDP) increased 1.0% in the period from the previous three months, statistics agency INEGI said, matching forecasts from economists in a Reuters poll. The figure, however, came in slightly below preliminary estimates disclosed by INEGI a month ago, when the statistics agency said GDP had likely increased 1.1% in the period on a sequential basis. Economists had already dubbed the preliminary first quarter data as "solid," although noted a slowdown in the U.S. economy and tight monetary policy would probably soften Mexico's performance in the coming quarters.

"Overall, these numbers confirm a decent start to the year," Pantheon Macroeconomics' chief economist for Latin America, Andres Abadia, said about Friday's figures. "But sequential data is confirming a gradual deterioration in recent months." Additional indicators released by INEGI showed that economic activity in the country shrank 0.3% in March from the previous month. Abadia said the "good news" was that fading growth momentum and falling inflation would make it easier for the central bank to adopt a dovish tone soon after pausing a nearly two-year rate-hike cycle earlier this month. The quarterly GDP growth, according to INEGI, was driven by a 1.5% jump in the tertiary or service sector and a 0.6% increase in secondary activities, which comprise manufacturing. Primary activities such as farming, forestry, fishing and mining, nonetheless, shrunk by 2.8%. In annual terms, the agency added, the economy expanded 3.7% in the first three months of 2023 compared to a year earlier. That was slightly below the 3.9% growth expected by the market and projected by last month's preliminary data.

International News

Biden, McCarthy reach tentative US debt ceiling deal (Reuters)

U.S. President Joe Biden and top congressional Republican Kevin McCarthy reached a tentative deal to raise the federal government's $31.4 trillion debt ceiling on Saturday evening, ending a months-long stalemate. However, the deal was announced without any celebration, in terms that reflected the bitter tenor of the negotiations and the difficult path it has to pass through Congress before the United States runs out of money to pay its debts in early June.

"I just got off the phone with the president a bit ago. After he wasted time and refused to negotiate for months, we've come to an agreement in principle that is worthy of the American people," McCarthy tweeted. Biden called the deal "an important step forward" in a statement, saying: "The agreement represents a compromise, which means not everyone gets what they want. That's the responsibility of governing." The deal would raise the debt limit for two years while capping spending over that time, claw back unused COVID funds, speed up the permitting process for some energy projects and includes some extra work requirements for food aid programs for poor Americans. Biden and McCarthy held a 90-minute phone call earlier on Saturday evening to discuss the deal, with McCarthy planning to brief his members later in the evening. “We still have more work to do tonight to finish the writing of it,” McCarthy told reporters on Capitol Hill. McCarthy said he expects to finish writing the bill Sunday, then speak to Biden and have a vote on the deal on Wednesday. “It has historic reductions in spending, consequential reforms that will lift people out of poverty into the workforce, rein in government overreach - there are no new taxes, no new government programs,” he said.

Negotiators have agreed to cap non-defense discretionary spending at 2023 levels for one year and increase it by 1% in 2025, a source familiar with the deal said. The deal will avert an economically destabilizing default, so long as they succeed in passing it through the narrowly divided Congress before the Treasury Department runs short of money to cover all its obligations, which it warned Friday will occur if the debt ceiling is not raised by June 5.

US money market funds see big inflows amid debt ceiling caution (Reuters)

U.S. money market funds saw big inflows in the week to May 24 as investors favored safer bets ahead of a deadline for politicians to agree an increase in the country’s debt ceiling. According to Refinitiv Lipper data, U.S. money market funds received a net $39.9 billion of inflows, the biggest week of net buying in four weeks. U.S. President Joe Biden and top congressional Republican Kevin McCarthy are closing in on a deal to raise the government’s $31.4 trillion debt ceiling for two years, a U.S. official told Reuters, but time is running short. The U.S. Treasury estimates it will run out of funds within a week, and legislating any deal will take that down to the wire.

Meanwhile, riskier equity funds saw outflows for a ninth straight week, worth $1.79 billion. Investors sold $1.06 billion from U.S. equity value funds and $703 million from growth funds, respectively. Meanwhile, sectoral equity funds remained in demand as they drew a net $335 million worth of inflows. Tech and consumer discretionary sectors received a net $420 million and $289 million, respectively. On the other hand, U.S. bond funds attracted a fourth week of inflows, worth about $4.22 billion. Government bond funds received $2.43 billion in a fifth straight week of net buying. U.S. corporate and high yield funds also drew $1.72 billion and $677 million of inflows, respectively, but inflation protected funds suffered a sixth weekly outflow of $565 million.

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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