

In this month's edition:

Scotia Funds: Performance at Glance	2
Market implications of the Federal Reserve's latest move	3
Eurozone PMI whiplash: expansion fades, contraction returns	3
From BB- to BB: Jamaica levels up	4
When reports run late, trust runs thin	5

Upcoming Key Economic Events	
Country/Region	Event
	Tuesday, October 7, 2025
USA	NY Fed 1-Yr Inflation Expectations
	Wednesday, October 8, 2025
USA	FOMC Meeting Minutes
	Friday, October 10, 2025
Canada	Unemployment Rate
	Wednesday, October 15, 2025
USA	CPI YoY
	Friday, October 17, 2025
Eurozone	CPI YoY
	Tuesday, October 21, 2025
Canada	CPI YoY
	Wednesday, October 22, 2025
UK	CPI YoY
	Friday, October 24, 2025
Eurozone	HCOB Eurozone Composite PMI
UK	S&P Global UK Composite PMI
USA	S&P Global US Composite PMI

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Scotia Funds™

Performance at a glance

As of September 30, 2025

Rates of return — Mutual Funds

	Inception Date*	NAVPS (\$)	1M (%)	3M (%)	6M (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Since inception* (%)
Scotia Funds (USD)											
Scotia Money Market Fund	10/27/1999	15.46	0.31	0.92	1.85	2.81	3.99	4.25	2.61	1.70	1.69
Scotia US Dollar Bond Fund	12/21/1992	2.79	1.15	2.03	2.94	5.39	1.49	4.21	-1.54	0.56	3.18
Scotia Global Equity Fund	06/23/1994	4.38	3.13	5.28	16.60	17.70	6.89	14.99	7.44	6.88	4.84
Scotia US Equity Fund	10/27/1999	27.35	3.74	9.22	14.57	14.29	7.18	15.51	9.25	8.90	3.99
Scotia Canadian Equity Fund	06/23/1994	4.67	2.20	5.94	15.13	15.01	14.47	14.28	11.69	6.63	6.09
Scotia Caribbean Income Fund	03/31/2009	3.50	0.93	2.65	5.00	6.67	5.52	7.02	2.37	2.32	3.80
Scotia Premium Funds (JMD)											
Scotia Premium Money Market Fund	07/06/2011	100.00	0.36	1.16	2.41	3.86	5.58	6.75	4.91	3.77	4.37
Scotia Premium Fixed Income Fund	02/11/1994	57.66	0.31	1.37	3.14	5.42	6.39	7.15	4.52	5.40	8.81
Scotia Premium Growth Fund	06/23/1987	137.19	-0.50	0.95	0.12	0.28	5.70	3.07	3.92	12.36	11.91
Scotia Premium USD Indexed Fund	01/15/2016	135.66	0.52	2.34	7.89	10.66	8.85	7.23	5.51	n/a	5.67
Scotia Premium Short-Term Income Fund (JMD)	11/15/2021	108.64	0.37	1.19	2.34	3.68	5.72	7.57	n/a	n/a	6.68
Scotia Premium Short-Term Income Fund (USD)	11/15/2021	10.40	0.34	1.25	2.13	3.22	3.47	3.81	n/a	n/a	3.40

*Inception date provided is the date of first deposit to the Fund.

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Market implications of the Federal Reserve's latest move (1.5 mins)

The Federal Reserve's (Fed) decision to lower interest rates by a quarter point on September 17, 2025, marks a meaningful shift in monetary policy, with significant implications for financial markets, investor strategies and the broader economic outlook. By reducing the federal funds target range to 4.00% - 4.25%, the central bank signaled that it is prepared to ease financial conditions after a 9-month pause. The rate cut prompted a swift response from the markets, with investors recalibrating their outlook for borrowing costs, asset valuations, and portfolio positioning. For clients, the effects are tangible and could materialise if the Fed steers towards its projected long-term rate in a predictable manner. Short-term investments may generate less income as yields on money market funds and Treasury Bills are likely to decline. At the same time, longer-term bonds could experience gains if rates continue to move lower, offering an opportunity to increase exposure to longer maturities where appropriate. If the rate cuts occur without an accompanying recession, stocks and higher-yield corporate debt could perform well. However, in a scenario where growth slows more sharply, safe-haven assets such as government bonds and gold may outperform.

As the policy landscape continues to evolve, federal funds futures suggest a high probability of another rate cut in October and at least one more before the end of the year. This outlook is reinforced by the Federal Open Market Committee's Summary of Economic Projections, which points to a lower policy path over the coming quarters. The forecasts also suggest a gradual progress toward the Fed's 2.0% inflation goal, with steady economic growth and a relatively stable labour market expected.

The outlook is not without risks. The ongoing government shutdown has delayed key economic reports, such as employment and inflation data, critical inputs for the Fed's decision-making process. Nevertheless, it is anticipated that the central bank will continue to avail itself of a wide range of public and private data sources to effectively maintain a comprehensive view of the economy.

In this environment, a prudent approach is to stay diversified, maintain liquidity, and look for selective opportunities in bonds and credit while preparing for potential risks later in the year.

Eurozone PMI whiplash: expansion fades, contraction returns (2 mins)

The Eurozone's manufacturing sector remains in a state of sustained contraction, highlighting persistent weakness in industrial activity and limited growth momentum across the region. While the HCOB Eurozone Manufacturing Purchasing Managers' Index (PMI) moved into expansionary territory in August with a reading of 50.7, this was short-lived. The index fell to 49.8 in September, reaffirming the broader trend of contraction that has prevailed over the past year. The reversion below the 50.0 threshold signals renewed softness in the region's industrial sector, largely driven by a steep drop in new orders, particularly exports, which fell at the fastest pace since March. Although factory output continued to expand modestly, the pace has slowed and employment in manufacturing has begun to contract at a sharper rate as firms trim staff to adjust to softer demand. Input costs and selling prices also fell, signalling easing inflationary pressures within the goods sector.

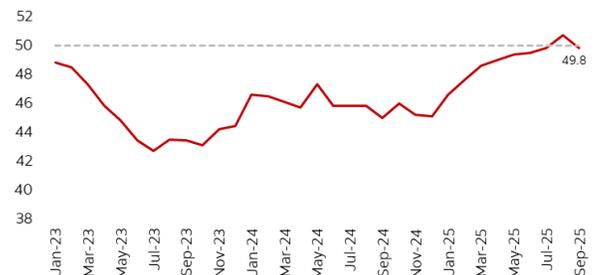
Meanwhile, the Eurozone's composite PMI, which includes both manufacturing and services, remains in expansionary territory at 51.2, reflecting resilience in the services sector. However, manufacturing remains a bellwether for the broader economic cycle and its reversion into contraction signals that the overall growth momentum may be losing

steam. Regional divergence has also been observed as countries such as Germany and France remain weak while others such as Spain and the Netherlands continue to show strength. This uneven performance complicates the outlook and suggests that investors may need to remain selective in their sovereign and corporate exposures.

The moderate easing of input and output prices observed in Q3-2025 has provided some reassurance of cooling inflationary pressures, despite a marginal uptick to 2.2% in September. However, weaker demand in the manufacturing sector raises concerns about the fragility of growth heading into the fourth quarter. As a result, the European Central Bank (ECB) must now balance its mandate to control inflation with the need to support a slow growing economy.

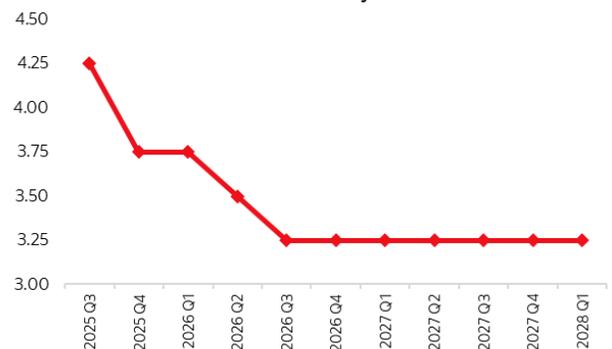
Slower growth and easing inflation across the Euro area could support demand for high quality sovereign bonds from countries such as the Netherlands and Spain. Existing investors could benefit from the price increases arising from the heightened demand, with additional upside if the ECB cuts rates to drive growth. Meanwhile, investors seeking Eurozone exposure, could also benefit from Dutch and Spanish bonds, given the stability and resilience of these securities, albeit at lower yields. However, those who demand higher returns could look toward other sovereigns with softer fundamentals or corporate credit while exercising caution.

Eurozone Manufacturing PMI



Source: Bloomberg

U.S. Federal Reserve Policy Rate Forecast



Source: Bloomberg

Indices	Value	MoM	YTD
S&P 500 Index	6,715.79	4.1%	14.2%
SPTSX Index	30,471.68	6.0%	23.2%
MSCI World Index	4,327.49	4.4%	16.7%

Source: Bloomberg

From BB- to BB: Jamaica levels up (3 mins)

In September 2025, S&P Global Ratings upgraded Jamaica’s long-term sovereign credit rating from ‘BB-’ to ‘BB’, marking its highest rating ever from the agency. This places Jamaica two notches below investment grade and reflects growing confidence in the country’s fiscal and economic management. The outlook remains positive, suggesting that further upgrades are possible if current trends persist. This achievement is particularly notable given Jamaica’s history of economic challenges. The rating action is a recognition of the progress on the comprehensive fiscal consolidation and structural reform embarked upon following the 2013 National Debt Exchange (NDX). The upgrade places Jamaica ahead of several regional peers still rated in the ‘B’ range, such as Barbados and Belize, and on par with the Dominican Republic and the Bahamas in ‘BB’ range. However, Jamaica continues to trail investment-grade Caribbean sovereigns such as Aruba and Trinidad & Tobago.

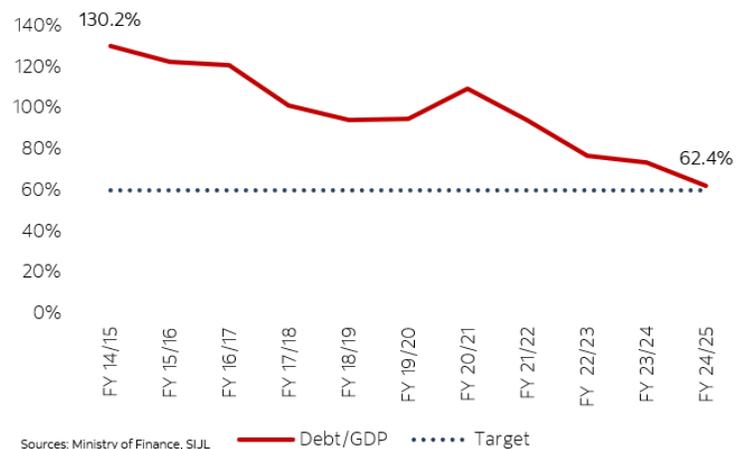
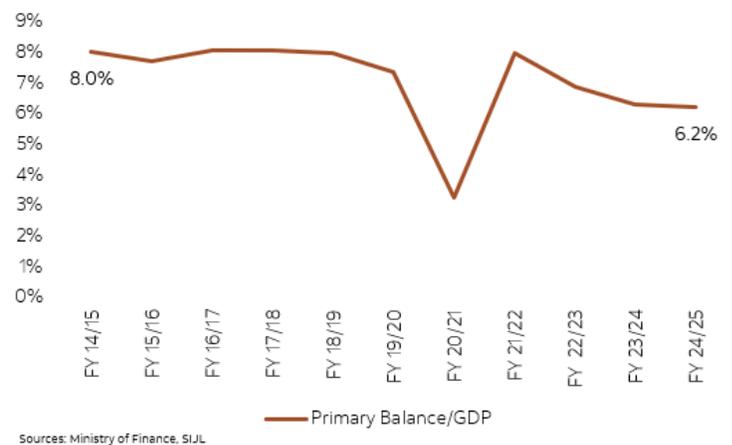
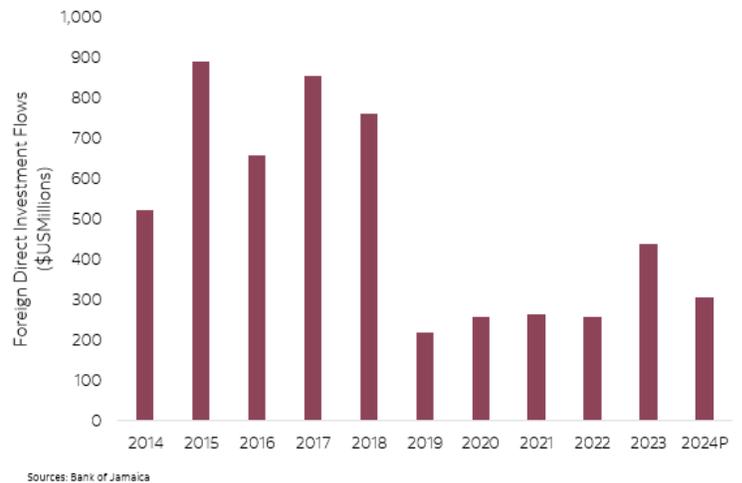
S&P’s decision was driven by several factors. Firstly, the agency highlighted Jamaica’s institutional strength, particularly the bipartisan support for fiscal discipline. Both the ruling Jamaica Labour Party (JLP) and the opposition People’s National Party (PNP) have demonstrated a shared commitment to sound economic policy, which has helped to maintain stability and continuity in fiscal management. Secondly, Jamaica’s fiscal track record stands out globally. In 2015, the country’s debt-to-GDP ratio exceeded 120% but through consistent surpluses, prudent fiscal management, and structural reforms, the metric declined to under 70% by 2024. The country is now on track to meet its legislated target of 60% by the end of the current fiscal year. The agency also highlighted that among the 141 sovereigns in its ratings universe, Jamaica is the only one to have consistently achieved a primary fiscal surplus above 3.0% of GDP for ten consecutive years. This performance is more impressive considering the external shocks the country has faced, including the COVID-19 pandemic and major hurricanes. Additionally, S&P made note of the country’s progress in reducing violent crime, which supports a more favorable investment climate.

Despite the positive developments, Jamaica faces ongoing challenges, which S&P notes could move the country’s outlook to ‘stable’ or trigger a credit rating downgrade over the near to medium term. Security-related expenditure remain elevated due to high levels of crime and violence, which strain public finances and deter private investment. Additionally, low productivity due to skills mismatch, limited technological adoption and underinvestment in innovation, contribute to sluggish output growth and reduced competitiveness in global markets.

Nevertheless, the economy is expected to derive tremendous benefits from the upgrade. With improved creditworthiness, Jamaica will likely be able to access external financing on more favourable terms, releasing fiscal space for increased spending on infrastructure, social programs and climate resilience initiatives, without compromising fiscal targets. The improved rating will lower the government’s borrowing costs, reducing interest rates across the wider economy, benefiting households and businesses alike. Investor sentiment is also likely to strengthen as the upgrade signals confidence in Jamaica’s ability to meet its debt obligations and maintain macroeconomic stability. This heightened optimism could increase the demand for local assets, including equities, bonds, and real estate. Additionally, the reduced perception of risk could encourage long-term capital inflows into key sectors such as tourism, renewable energy, logistics and manufacturing.

The recent upgrade serves as a confirmation of the progress that the country has made in transforming the economy, which lays the groundwork

for increased investment opportunities at all levels, particularly for investors seeking stable returns. Moreover, with Jamaica now closer to investment grade status, the sovereign could benefit from increased investor interest and enhanced capital access.



When reports run late, trust runs thin (3 mins)

Timely financial disclosures are essential to preserve investor confidence, ensure market integrity, and support the sustainable growth of Jamaica's economy. Yet, Jamaica's local stock market continues to experience persistent delays in the filing of financial reports, with late submissions becoming a recurring feature in the Jamaica Stock Exchange's announcements, often attributed to the capacity constraints being experienced by auditing firms.

Delayed financial reporting has far-reaching implications. It undermines transparency, which erodes investor confidence and negatively influences sentiment towards the stock and the broader market. Moreover, the information asymmetry created by delayed reporting hinders shareholders' ability to make informed decisions. Delays may also signal weak internal controls, record keeping challenges or poor governance. Conversely, timely disclosures are widely regarded as indicators of strong internal controls, sound governance, and transparency.

Under JSE rules, companies are required to file audited financial statements within 90 days of their year-end and quarterly financial statements within 45 days of the quarter-end. Failure to comply carries the penalty of suspension from trading on the stock exchange, which may cause reputational damage and diminished investor confidence. Equityline Mortgage Investment Corporation, which was delisted in 2024, serves as a cautionary tale of the consequences associated with failure to adhere to the JSE's reporting requirements. This follows the delisting of Sweet River Abattoir and Supplies Company Limited in 2020, after repeatedly failing to file audited reports on time.

Investors play a critical role in upholding disclosure standards. By asking probing questions regarding delayed disclosures while closely examining key audit matters and other issues highlighted by auditors, they help to hold companies accountable. Ultimately, strong enforcement of disclosure rules benefit investors by promoting trust, stability and broader market integrity.

Local Stock Market News (1 min)

- NCB Financial Group Limited (NCBFG) has advised that the pension fund portfolio of NCB Insurance Agency & Fund Managers Limited was successfully transferred to Guardian Life Limited.
- S&P Global Ratings affirmed the long-term issuer credit ratings NCBFG and NCBJ, and revised the outlook to positive from stable.
- Seprod Limited (SEP) declared a dividend of J\$0.605 payable on November 7, 2025, to shareholders on record as at October 17, 2025.
- Barita Investments Limited (BIL) declared a dividend of J\$2.398 payable on October 31, 2025, to shareholders on record as at October 17, 2025.
- Lumber Depot Limited (LUMBER) declared a dividend of J\$0.08 payable on October 10, 2025, to shareholders on record as at September 29, 2025.
- JMMB Group Limited (JMMBGL) declared a dividend of J\$0.30 payable on October 31, 2025, to shareholders on record as at October 7, 2025.

Market Quote for Month Ending September 30, 2025						
Index	Opening Value	Closing Value	Total Volume	Value (J\$)	MTD Change	YTD Change
Main Market	320,857.81	320,857.81	497,050,917	4,443,254,923.49	1.35%	-4.40%
Junior Market	3,406.80	3,406.80	149,979,825	308,810,697.49	0.65%	-8.80%

Source: JSE, SJL

Market activity (1 min)

During September 2025, the JSE All Jamaican Composite Index advanced by 2,851.87 points, 0.77% month-over-month (MoM), to close at 372,170.66. The Main Market Index advanced by 4,325.52 points, 1.35% MoM, to close at 325,183.33. The Main Market had 66 stocks traded, with 32 advancing, 33 declining and one trading firm. Volume leaders included TransJamaican Highway Limited (45.70% of trades), Jamaica Stock Exchange (10.48%), and Wigton Energy Limited (10.20%).

The Junior Market Index advanced by 22.05 points or 0.65% MoM, to close at 3,428.85. Market activity ended with 46 stocks traded, of which 21 advanced, 22 declined and three traded firm. Volume leaders for the month were FosRich Company Limited (12.59%), Jamaican Teas Limited (11.03%) and Future Energy Source Company Limited (9.47%).

Sector	Top Advancers*	Top Decliners*
Finance	N/A	ISP
Manufacturing	AMG	BPOW
Insurance	CABROKERS	ROC
Other	KLE	IPCL
Retail	MDS	PTL

*Based on percentage price increase month-over-month
Source: JSE, SJL (Junior Market)

Sector	Top Advancers*	Top Decliners*
Finance	VMIL	KEY
Conglomerate	ASBH	PJAM
Other	PULS	MPCCEL
Manufacturing	BRG	WISYNCO
Real Estate	SRFJMD	CPFV

*Based on percentage price increase month-over-month
Source: JSE, SJL (Main Market)

Recently Released Key Economic Events				
Country/Region	Event	Actual	Forecast	Previous
Monday, September 8, 2025				
USA	NY Fed 1-Yr Inflation Expectations	3.2%	--	3.1%
Wednesday, September 10, 2025				
USA	PPI Final Demand MoM	-0.1%	0.3%	0.9%
USA	PPI Final Demand YoY	2.6%	3.3%	3.3%
Thursday, September 11, 2025				
USA	CPI MoM	0.4%	0.3%	0.3%
USA	CPI YoY	2.9%	2.9%	2.9%
Friday, September 12, 2025				
UK	Manufacturing Production MoM	-1.3%	0.1%	0.5%
UK	Manufacturing Production YoY	0.2%	1.7%	0.0%
Tuesday, September 16, 2025				
UK	ILO Unemployment Rate 3Mths	4.7%	4.7%	4.7%
Canada	CPI YoY	1.9%	2.0%	1.7%
Canada	Consumer Price Index	164.8	164.8	164.9
Wednesday, September 17, 2025				
UK	CPI YoY	3.8%	3.8%	3.8%
Eurozone	CPI YoY	2.0%	2.1%	2.1%
Canada	Bank of Canada Rate Decision	2.5%	2.5%	2.8%
USA	FOMC Rate Decision (Upper Bound)	4.3%	4.3%	4.5%
USA	FOMC Rate Decision (Lower Bound)	4.0%	4.0%	4.3%
Thursday, September 18, 2025				
UK	Bank of England Bank Rate	4.0%	4.0%	4.0%
Thursday, September 25, 2025				
Eurozone	ECB Publishes Economic Bulletin			
Friday, September 26, 2025				
Canada	GDP MoM	0.2%	0.1%	-0.1%
Canada	GDP YoY	0.9%	0.7%	0.9%
USA	PCE Price Index YoY	2.7%	2.7%	2.6%
Tuesday, September 30, 2025				
UK	GDP QoQ	0.3%	0.3%	0.3%
UK	GDP YoY	1.4%	1.2%	1.2%
Wednesday, October 1, 2025				
Eurozone	HCOB Eurozone Manufacturing PMI	49.8	49.5	49.5
UK	S&P Global UK Manufacturing PMI	46.2	46.2	46.2
Eurozone	CPI MoM	0.1%	0.1%	0.1%
Canada	S&P Global Canada Manufacturing PMI	47.7	--	48.3
USA	S&P Global US Manufacturing PMI	52.0	52.0	52.0
USA	ISM Manufacturing	49.1	49.0	48.7
Thursday, October 2, 2025				
Eurozone	Unemployment Rate	6.3%	6.2%	6.2%
Friday, October 3, 2025				
Eurozone	HCOB Eurozone Composite PMI	51.2	51.2	51.2
UK	S&P Global UK Composite PMI	50.1	51.0	51.0
Eurozone	PPI MoM	-0.3%	-0.1%	0.4%
Eurozone	PPI YoY	-0.6%	-0.4%	0.2%
Canada	S&P Global Canada Composite PMI	46.3	--	48.4
USA	S&P Global US Composite PMI	53.9	53.6	53.6

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