

- The first index fund in the world containing Jamaican stocks
- The first stock mutual fund in Jamaica (with 4 series of shares)
- The first and only investment vehicle that tracks the 15 most liquid "blue chip" stocks of the JSE Select Index
- The first and only transparent AND investable index in the Caribbean



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A PRODUCT OF JMB SECURITIES LTD.

Long Term Planning

What is a Mutual Fund?

A mutual fund is an investment product that allows individuals with similar financial goals to pool their money and invest in a diversified portfolio. A professional portfolio manager uses that money to buy securities, such as stocks, bonds, cash, or a combination of these, depending on the fund's investment objectives.

What is the JMMB Select Index Fund?

It is the first open-end indexed mutual fund comprising stocks of the *JSE Select Index* and is structured for convenience, diversification and performance.

JMMB Select Index Fund offers investors the unique opportunity to invest in the top 15 most liquid (actively traded) companies on the Jamaica Stock Exchange through a single investment. The fund will move in value as the *JSE Select Index* moves daily.

JMMB Select Index Fund offers great advantages to investors:

- **Easy and convenient access** to all fifteen stocks by purchasing a single fund
- **Transparency** -Your investment will mirror the performance of the well-known and fully disclosed JSE Select Index
- **Diversification** -Investing in the top 15 Jamaican stocks helps to minimise the risks associated with individual stock volatility
- **Long term capital growth**
- **Professional management** -by experts who are able to take advantage of market opportunities for your benefit
- **Flexibility** -You may buy and sell any quantity of shares

How does the Fund work?

- Dividends are automatically reinvested in the fund
- Investors purchase what are called mutual fund "shares" in the JMMB Select Index Fund.
- The shares have a price which is computed daily, and that price is called the Net Asset Value or NAV. The NAV rises or falls with the *JSE Select Index* levels daily and over time.
- Investors should seek to buy the shares at a lower NAV and hold the shares to sell when the NAV is higher in order to make a profit. **It is recommended that the shares be held for the long term.**
- The fund has two types of instruments - stocks and money market investments.

JSE SELECT INDEX STOCKS

SECURITY DESCRIPTION	SYMBOL	SECTOR
BANK of NOVA SCOTIA	BNSJ	Finance
CABLE & WIRELESS (JA)	CWJA	Communications
CARIB. CEMENT	CCC	Manufacturing
CARRERAS	CAR	Conglomerate
COURTS	CRTS	Retail
D&G	DG	Manufacturing
DB&G LTD.	DBG	Finance
GLEANER	GLNR	Communications
GRACEKENNEDY	GK	Conglomerate
JA. BROILERS	JBG	Manufacturing
JA. PROD. GROUP	JP	Manufacturing
JMMB	JMMB	Finance
LIFE OF JAMAICA	LOJ	Finance
N.C.B. JAMAICA	NCBJ	Finance
RJR LTD.	RJR	Communications
MONEY MARKET SECURITIES	REPO,LRS,etc.	Fixed Income

Why invest in the JSE Select Index Stocks?

The JSE Select Index is a group of stocks determined and managed by the Jamaica Stock Exchange (JSE). It is comprised of the most liquid and best performing stocks trading on the JSE. These companies are normally known as the blue chip companies in Jamaica and have out performed many other investments over the last 5 years.

Can I lose my Investment?

Yes. Due to the fluctuating nature of stocks, your initial investment is not guaranteed. However, diversification of the investments and a long-term perspective will help to reduce that risk as stock investments can be expected to provide strong returns.

How do I know the performance of my investment ?

By finding the difference between the NAV on the day of sale and the NAV on the day you bought it.

Let's look at an example:

Say you bought 100 units at a NAV of \$3.00 each and sold them for \$6.00 one year later. You would have realized a gain of 100% or \$3.00 per share.

Is my investment tax free?

The stock portion of the fund is tax free while the fixed income portion is taxed at source. However since the fund is mostly stocks, it is predominantly tax free.

Invest for your future...invest for growth.