

Featured Stock



SGJ

Scotia Group Jamaica Limited (SGJ);

Opening price— \$50.25;

Price to book— 0.93 times;

P/E— 7.89 times

Week to Date: 0.78%
Month to Date: 0.12%
Quarter to Date: 0.12%
Year to Date: -5.45%

Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.

Scotiabank Jamaica, a subsidiary of The Bank of Nova Scotia, has been a key player in Jamaica's financial landscape since 1889. As part of Scotiabank, one of the leading multinational financial services providers and Canada's most international bank, Scotiabank Jamaica offers a comprehensive range of retail and commercial banking services. Through its network of branches across the country, the bank delivers innovative financial products and services to individuals, businesses, corporations, and government entities.

Scotia Group Jamaica Limited delivered a strong and resilient performance for the first quarter ended 31 January 2026, demonstrating the strength of its diversified financial services model and its ability to generate consistent earnings growth even amid external disruptions. The Group's results reflect a business that is scaling its core banking operations while deepening client relationships and investing in long-term digital and operational capabilities.

Total revenues (excluding credit losses) increased 9.9% year-on-year to J\$18.8 billion, driven primarily by solid loan book expansion and improved net interest income, which rose 10.2% year-on-year. This reflects continued demand across key lending segments, particularly mortgages and consumer loans, reinforcing SGJ's position as a leading provider of credit to both households and businesses.

On a bottom-line basis, the Group delivered net profit of J\$4.1 billion for the quarter, maintaining strong profitability despite higher operating costs and the lingering impact of Hurricane Melissa. This performance highlights the inherent resilience of SGJ's earnings model, where diversified revenue streams across banking, insurance, and investment management continue to provide stability through varying economic conditions.

Cost pressures were evident, with operating expenses increasing 14.7% to J\$11.1 billion, driven by higher transaction costs, asset taxes, and continued investment in technology infrastructure. However, these investments are strategic in nature, aimed at enhancing digital capabilities, improving client experience, and driving long-term efficiency gains across the Group's operations.

From a balance sheet perspective, SGJ continues to scale effectively, with total assets expanding 10.8% to J\$818.9 billion, supported by 13% growth in the loan portfolio and 11.5% growth in deposits, signaling sustained client confidence and strong liquidity. The expansion in mortgages (up 19%) and consumer loans (up 16%) underscores the Group's focus on deepening retail penetration while maintaining prudent credit quality, with non-accrual loans remaining low at 1.5% of gross loans.

Strategically, SGJ continues to execute on a client-centric growth model, prioritising primary banking relationships and leveraging its digital ecosystem to drive transaction volumes and deposit growth. The Group's commercial banking segment remains focused on supporting business investment, while its investment management and insurance subsidiaries are expanding assets under management and premium income, reinforcing a fully integrated financial services platform. In addition, SGJ's continued investment in digital transformation and operational infrastructure is a key pillar of its strategy, enabling scalability while improving efficiency and customer engagement.

SGJ (as at Friday April 10th, 2026) was trading at 0.93 times its book value with a P/E of 7.89 times which is lower than the main market P/E of 8.57 times.

