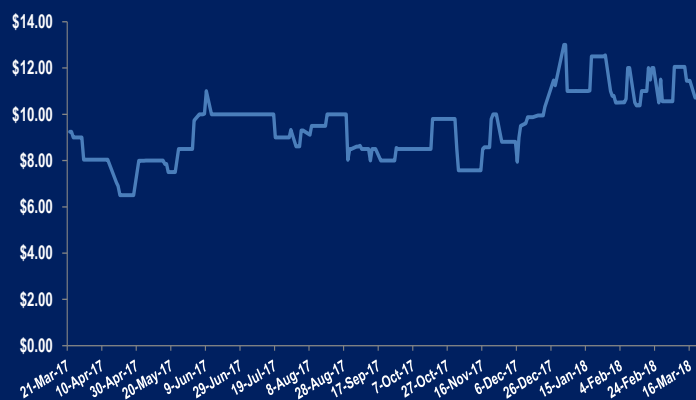


## DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) <sup>+</sup>

Stock Symbol	JP	SJ	JAMT	NCBFG	SALF
Current Price (\$)	15.10	36.21	4.45	99.47	11.10
Trailing EPS (\$)	0.59	3.09	0.29	8.16	0.76
P/E (times)	25.60	11.72	15.13	12.19	14.68
Projected P/E	23.91	11.05	14.26	11.34	11.02
Projected EPS (\$)*	0.63	3.28	0.31	8.77	1.01
Book Value per share (\$)	10.04	17.54	1.63	50.34	7.48
Price/Book Value (times)	1.50	2.06	2.73	1.98	1.48
Dividend Yield (2018 %)	N/A	N/A	N/A	0.70%	N/A
Volumes	47,095	38,853	48,257	219,654	52,000
Recommendation	SELL	HOLD	HOLD	HOLD	BUY

SALF



## STOCK OF THE DAY: Salada Foods Jamaica Ltd. (SALF)

## For the quarter ended December 31, 2017:

Salada Foods, recorded a 17% increase in turnover for the quarter to \$227.76 million (2017: \$195.27 million). The company stated that, "Export sales grew by 100% and is the key driver of revenue growth. Improvements in the distribution of our brands in South East United was the reason for this performance."

Cost of sales for the year increased by 8% to close the quarter at \$143.29 million relative to \$132.49 million in 2017. As such, gross profit for the quarter amounted \$84.47 million, a 35% increase year over year from the \$62.79 million booked in 2016.

Other operating income for the first three months amounted to \$1.43 million relative to \$849,000 booked in 2016.

Administrative expenses rose by 10% to \$32.39 million (2017: \$29.34 million). Selling and promotional expense fell 12% from \$13.57 million in 2016 to \$11.91 million. SALF noted that the increase in expenses was "attributable to administration costs for professional fees."

Consequently, this resulted in an operating profit of \$41.60 million up by 101%, this compares with the \$20.73 million reported for the corresponding quarter for prior year. SALF disclosed, "Increased sales and lower selling and distribution expenses were the contributors."

The company reported net finance cost of \$5.73 million for the quarter; this compares to the net finance income of \$3.24 million for the same period in 2016.

Net profit before taxation increased by 50% to \$35.86 million in 2018. This compares with the pre-tax profit of \$23.97 million booked for the previous quarter. Net profit for the quarter rose by 55% to \$26.77 million in 2018 relative to \$17.29 million in 2016.

Earnings per stock unit for the quarter amounted to \$0.26 (2016: \$0.17). The trailing EPS is \$0.76.

The company noted that its "contract manufacturing business line continues to record growth, increasing by 69.4% against the corresponding period," and that it will continue to "pursue the sale of Salada's interest in our Pimora Company subsidiary."

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	129.000	100.230	126.5140	135.470	104.630	127.5469
CAN	97.600	73.000	94.8196	110.330	93.300	97.6571
GBP	181.400	126.910	173.7794	195.000	170.000	178.4160
EURO	154.000	111.000	151.4504	172.500	147.000	157.4412

\*Rates as at March 21, 2018

## MONEY MARKET

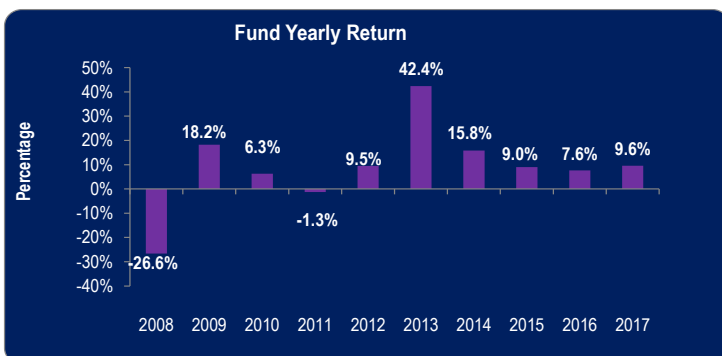
The Jamaican dollar fixed income market was liquid in today's (March 22, 2018) trading session. The over night rates were quoted around 2.00% while the 30-day rates stood at 2.50%.

The US dollar fixed income market was also liquid during today's (March 22, 2018) trading session; The overnight market rates were quoted 1.00% while the 30-day market rates stood around 1.30%.

## OVER THE COUNTER FUNDS (CI FUNDS)

## CI American Managers® Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of companies believed to have good growth potential. These companies are located in countries that have signed the North American Free Trade Agreement (NAFTA), or its successor. These countries currently include the United States, Canada and Mexico, but may also include countries that become members of NAFTA in the future. The fund has a 3 year return of 6.4% and a 5 year return of 14.2% as at February 28, 2018. The Fund also has a 6 month return of 7.6%.



U.S. stocks tumbled and Treasuries rallied as investors shifted focus from the Federal Reserve to the threat of an escalating trade war with China that has the potential to disrupt global growth. Major U.S. equity benchmarks fell by more than 1 percent, with technology-heavy gauges slumping almost 2 percent. President Donald Trump is set to announce about \$50 billion of tariffs against China Thursday, according to a person familiar with the matter, sparking speculation that the Asian nation will hit back. The 10-year Treasury yield slid toward 2.8 percent and gold advanced with the yen as investors sought safe havens. The dollar rebounded. The threat that a tit-for-tat trade spat with China will erupt and hamper global growth has investors on edge a day after the Fed sought to reassure markets that it's in no hurry to raise rates even as it lifted growth projections for the world's largest economy. Trump's first trade action directly aimed at China would come as policy makers including IMF Managing Director Christine Lagarde warn of a global trade conflict that could undermine the broadest world recovery in years. Stocks extended declined after John Dowd resigned as Trump's lead attorney countering Special Counsel Robert Mueller's Russia probe as the inquiry into possible collusion in the 2016 election intensifies. Facebook Inc. helped pace a decline in the tech sector, falling as much as 2.5 percent before paring losses

<https://www.bloomberg.com/news/articles/2018-03-21/asian-stocks-face-mixed-start-dollar-sinks-on-fed-markets-wrap>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at March 19, 2018	
	Percentage (%)
Yield to Maturity	5.52
Weighted Average Coupon	5.326
Current Yield	5.11

The platinum portfolio has an effective maturity of 13.87years and duration of 5.23years.

DISCLAIMER

**Analyst Certification** -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

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**MIL Ratings System:**

**BUY:** We believe the stock is attractively valued. The company has sound or improving fundamentals that should allow it to outperform the broader market. We anticipate the stock will outperform the market over the next 12 months. The risk factors to achieving price targets are minimal.

**HOLD:** We believe the stock is fairly valued at the current price. The company may have issues affecting fundamentals that could take some time to resolve. Alternatively, company fundamentals may be sound, but this is fully reflected in the current stock price. The risk factors to achieving price targets are moderate. Some volatility is expected. In addition, technically it may be difficult to attain additional volume of the stock(s) at current price.

**SELL:** We believe the stock is overpriced relative to the soundness of the company's fundamentals and long-term prospects.

**SPECULATIVE BUY:** We believe the prospects for capital appreciation exist, however there is some level of uncertainty in revenue growth.

Source: [www.jamstockex.com](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

China blamed U.S. export restrictions for its record trade surplus with the United States, but expressed hope that a solution can be found to settle trade issues between the world's two biggest economies as U.S. tariffs loom. Beijing was bracing on Thursday for an announcement from U.S. President Donald Trump of tariffs of as much as \$60 billion on Chinese imports, raising fears that the two countries could be sliding towards a trade war. The tariffs will be imposed under Section 301 of the 1974 U.S. Trade Act, focusing on Chinese high-tech goods. Trump says Beijing has forced U.S. firms to transfer their intellectual property to China as a cost of doing business there. Washington is also pressing China to reduce its staggering \$375 billion trade surplus with the United States by \$100 billion. Chinese Foreign Ministry spokeswoman Hua Chunying said it was unfair to throw around criticism about unfair trade if the United States won't sell to China what it wants to buy, referring to U.S. export controls on some high-tech products. However, China still hopes it can hold constructive talks with the United States in a spirit of mutual respect to seek a win-win solution, she added. U.S. agricultural exports to China stood at \$19.6 billion last year, with soybean shipments accounting for \$12.4 billion. Chinese penalties on U.S. soybeans will especially hurt Iowa, the state that backed Trump in the 2016 presidential elections and is home to U.S. Ambassador to China Terry Branstad.

<https://www.reuters.com/article/us-usa-china-trade-mofcom/china-blames-u-s-for-staggering-trade-surplus-as-tariffs-loom-idUSKBN1GX3DM>

STRUCTURED PRODUCT

**Mayberry Managed Equity Portfolio (MMEP)**

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.