



1985 - 2016

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CELEBRATING 31 YEARS

## Featured Stock: (CPJ)

**Caribbean Producers Jamaica Limited (CPJ);**  
**Opening price — \$4.42 Price to book — 1.70 times;**  
**P/E — 12.70 times**

This week's stock pick is Caribbean Producers Jamaica Limited (CPJ). CPJ's principal activities are the wholesale and distribution of food and beverages, the distribution of non-food supplies and the manufacture and distribution of fresh juices and meats. The company's shares are listed on the Junior Market of the Jamaica Stock Exchange.

For the six months ended December 31, 2017, CPJ revenues grew 17% from \$46.04 million, to close the period at \$53.91 million compared to the prior year. According to the Company, this resulted from "aggressive growth in sales across all channels with focus on targeted product categories." Cost of goods sold increased 19% , closing the period at \$39.52 million relative to \$33.27 million for the corresponding period in 2016. Nevertheless, CPJ recorded an increase in gross profits to \$14.39 million (2016: \$12.76 million).

Selling and administrative expenses also increased, up by 11% to total \$10.46 million, largely due to "Salary related expenses, repairs & maintenance as well as advertising and promotion cost relating to an increase drive in sales and marketing of all products sold by CPJ." Profit before finance costs, income and taxation improved 32% to total \$2.65 million relative to \$2 million in 2016, while net profit attributable to shareholders for the six months amounted to \$1.46 million (2016: \$972,554).

CPJ noted that the company is expected to "continue to benefit from significant improvements in operational excellence and management information capabilities and further growth in the tourism sector in the Caribbean."

Additionally, CPJ (as at Friday March 09, 2018) was trading at 1.70 times its book value with a P/E of 12.70 times.

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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.