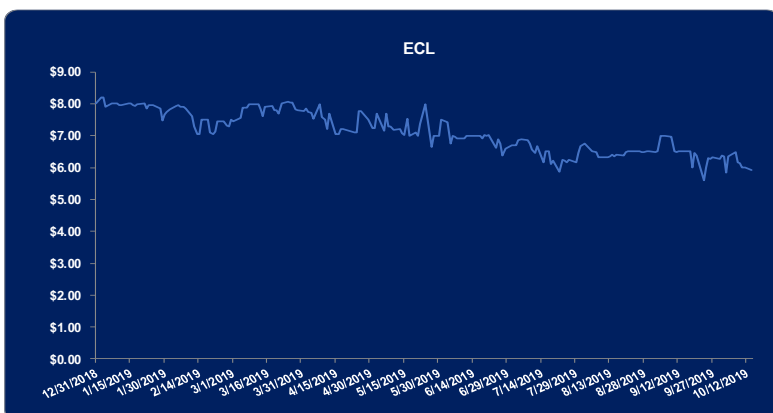


## LOCAL STOCK MARKET: (J\$) <sup>+</sup>

Stock Symbol	CAR	ECL	GENAC	BIL	JETCON
Current Price (\$)	8.03	5.92	6.99	78.98	1.85
Trailing EPS (\$)	0.72	0.30	0.33	1.95	0.06
P/E (times)	11.11	19.56	21.51	40.46	30.61
Projected P/E	10.38	18.74	18.71	142.72	24.10
Projected EPS (\$) <sup>*</sup>	0.77	0.32	0.37	0.55	0.08
Book Value per share (\$)	0.33	0.26	2.12	11.23	0.91
Price/Book Value (times)	24.68	22.71	3.30	7.03	2.04
Dividend Yield (2018 %)	7.63%	13.14%	N/A	13.39%	N/A
Volumes	134,707	1,145	153,275	28,491,102	12,455
Recommendation	BUY	BUY	HOLD	SELL	SELL



## STOCK OF THE DAY: Express Catering Limited (ECL)

### For the year ended May 31, 2019:-

Express Catering Limited (ECL) for the year ended May 31, 2019 reported a 10% increase in revenue to US\$17.32 million (2018: US\$15.71 million). Revenue for the quarter advanced 17% to close at US\$5.21 million relative to US\$4.44 million reported the previous year.

Cost of sales (COS) increased by 10% for the period to US\$5.07 million (2018: US\$4.60 million). As a result gross profit increased year-on-year by 10%, from US\$11.10 million in 2018 to US\$12.25 million in 2019. Gross profit for the fourth quarter improved from US\$1.62 million in 2018 to US\$1.82 million, a 20% increase year over year.

Total expenses increased by 15% for the period in review to US\$8.23 million for 2019, up from US\$7.15 million booked for 2018's year end. The rise was associated with a 15% increase in administrative expenses to US\$7.63 million from US\$6.61 million. Depreciation and Amortization saw an 8% increase to US\$554,827 compared to US\$511,804 for the comparable period in 2018. Promotional expenses also saw a 33% increase from US\$35,931 to US\$47,794.

Consequently, operating profit for the period grossly increased by 2% to US\$4.02 million (2018: US\$3.95 million). Operating profit for the quarter totalled US\$1.21 million, a growth of 5% relative to US\$1.15 booked for the corresponding quarter of 2018.

Pre-tax profit for the year totalled US\$3.73 million, a 5% increase above the US\$3.56 million recorded for 2018. The was no tax for the FY2019, however, taxation for the FY2018 totalled US\$114,969. Consequently, net profit for the period amounted to US\$3.73million, an 8% increase above the US\$3.45 million recorded for 2018. For the quarter, net profit amounted to US\$1.18 million versus US\$925,167 booked for the comparable period in 2018, a 28% increase.

## FOREIGN EXCHANGE MARKET TRADING SUMMARY <sup>\*</sup>

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.800	102.180	135.4631	142.349	101.400	136.7432
CAN	103.300	79.704	98.8274	106.380	94.000	101.3942
GBP	174.500	130.692	168.1700	178.416	157.000	171.6814
EURO	148.500	111.720	143.0848	155.520	139.000	152.7707

<sup>\*</sup>Rates as at October 11, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 14, 2019) trading session. The overnight rate stood at 0.30% while the 30-day rate ranged at 1.30% to 1.50%.

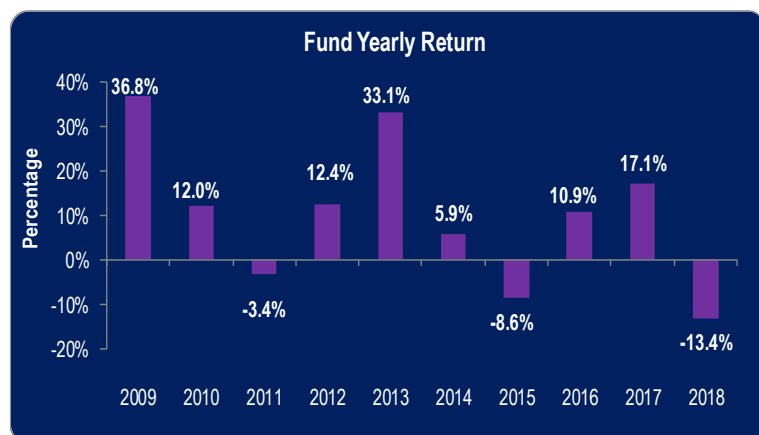
The US dollar fixed income market was also liquid during today's (October 14, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI American Managers Corporate Class

This fund invests primarily in equity and equity-related securities of companies that are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor).

The fund has a 3 year return of 7.3% and a 5 year return of 3.8%. The Fund also has a 10 year return of 8.8%. Rates are as at August 31, 2019.



“Revisions to monthly U.S. payrolls figures have become more reliable over the short term while those on industrial production have become less so, according to a Federal Reserve study that finds that policy makers could build such evolutions into their real-time assessments of the economy. The volatility of the Labor Department’s revisions to its payrolls count is down by almost by half since the early 1980s -- to about 50,000 currently from 100,000, Cleveland Fed research economist Mark Bognanni wrote in a report released Thursday. Thus, the data provide a more reliable read on real-time changes in employment than in the past. Meanwhile, the typical size of revisions to industrial output figures has trended up over time. “Revisions to many monthly economic indicators display systematic behaviors that policy makers could build into their real-time assessments,” Bognanni wrote.

<https://www.bloomberg.com/news/articles/2019-10-10/u-s-payrolls-revisions-are-more-reliable-fed-study-shows?srnd=economics-vp>

“China wants to hold more talks this month to hammer out the details of the “phase one” trade deal touted by Donald Trump before Xi Jinping agrees to sign it, according to people familiar with the matter. Beijing may send a delegation led by Vice Premier Liu He, China’s top negotiator, to finalize a written deal that could be signed by the presidents at the Asia-Pacific Economic Cooperation summit next month in Chile, one of the people said. Another person said China also wants Trump to scrap a planned tariff hike in December in addition to the hike scheduled for this week, something the administration hasn’t yet endorsed. The people asked not to be named discussing the private negotiations. S&P 500 futures extended losses, Europe’s Stoxx 600 fell and the yen rose as investors grew pessimistic on the handshake deal.”

<https://www.bloomberg.com/news/articles/2019-10-14/china-wants-more-talks-before-signing-trump-s-phase-one-deal?srnd=premium-asia>

## ■ PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at October 14, 2019

	Percentage (%)
<b>Yield to Maturity</b>	5.34
<b>Weighted Average Coupon</b>	5.442
<b>Current Yield</b>	4.60

The platinum portfolio has an effective maturity of 13.04 years and duration of 4.63 years.

## ■ STRUCTURED PRODUCT

### Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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)

