

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

Stock Symbol	ECL	GENAC	JP	PJAM	MEEG
Current Price (\$)	6.03	7.00	21.91	97.00	5.22
Trailing EPS (\$)	0.32	0.33	0.92	7.01	0.32
P/E (times)	18.71	21.54	23.86	13.84	16.10
Projected P/E	17.90	18.74	22.26	16.10	14.86
Projected EPS (\$)*	0.34	0.37	0.98	6.02	0.35
Book Value per share (\$)	0.36	2.12	12.02	36.40	2.10
Price/Book Value (times)	16.86	3.30	1.82	2.66	2.48
Dividend Yield (2018 %)	13.14%	5.20%	0.72%	N/A	N/A
Volumes	25,839	50,000	2,584	806,619	NIL
Recommendation	BUY	HOLD	SELL	HOLD	BUY

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	141.900	106.080	138.6540	147.220	105.534	140.2074
CAN	108.000	83.476	103.8409	110.376	97.000	107.2795
GBP	181.600	143.202	173.7862	187.920	154.699	179.0579
EURO	155.000	117.443	146.5943	161.784	122.426	157.0039

\*Rates as at November 04, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (November 05, 2019) trading session. The overnight rate stood at 0.30% while the 30-day rate ranged at 1.30% to 1.50%.

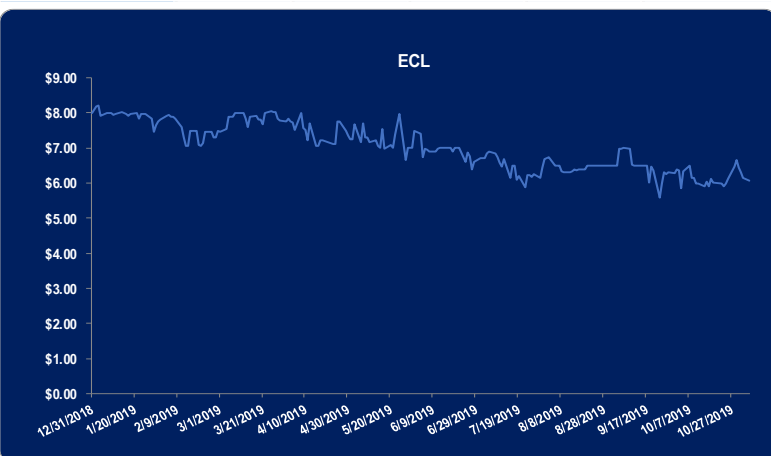
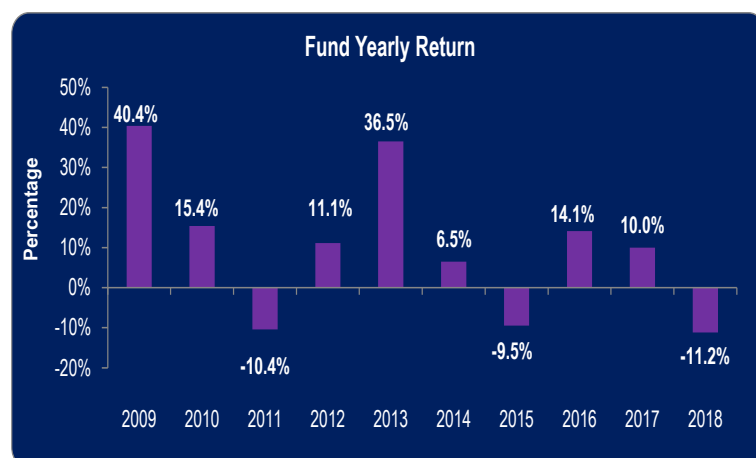
The US dollar fixed income market was also liquid during today's (November 05, 2019) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.30% to 2.40%.

## OVER THE COUNTER FUNDS (CI FUNDS)

### CI American Equity Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3 year return of 6.9% and a 5 year return of 4.5%. The Fund also has a 10 year return of 7.8%. Rates are as at September 30, 2019.



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

### For the three months ended August 31, 2019:-

Express Catering Limited's (ECL), for the three months ended August 31, 2019, revenues increased by 12% for the period to US\$4.54 million (Q1 2018: US\$4.06 million).

Cost of sales (COS) increased by 13% for the period to US\$1.23 million (Q1 2018: US\$1.09 million). As a result gross profit increased year-on-year for the three month period by 11%, to US\$3.31 million in Q1 2019 from US\$2.97 million in Q1 2018.

Total expenses increased by 13% for the period in review to US\$2.21 million in Q1 2019, up from US\$1.94 million in Q1 2018. This increase was associated with a 14% increase in administrative expenses to US\$2.04 million from US\$1.79 million in 2018. According to the company, "a total of US\$2.05 million in aggregate was expended on Administrative and promotional expenses at a rate of 45.18% of revenue compared to US\$1.80 million a rate 44.41% in the prior year. Maintenance rate increase in effect since October 2018 is responsible for the comparative change." Depreciation and Amortization saw an 11% increase to US\$155,291 compared to US\$140,442 for 2018. Promotion expenses also rose 12% for the quarter from US\$9,746 to US\$10,918.

Consequently, operating profit increased by 8% to US\$1.11 million (Q1 2018: US\$ 1.03 million).

Finance cost of US\$83,706 (2018: US\$84,555) was booked for the period. Foreign exchange gain of US\$12,636 was also booked for the quarter compared to a foreign exchange loss of US\$4,398 booked the prior corresponding period. This resulted in total comprehensive profit for the year increasing by 11% from US\$937,891 in 2018 to US\$1.04 million.

## ■ U.S: \$11 Trillion U.S. Mortgage Market Has a Shadowy New Player

“U.S. financial regulators led by the Treasury’s Steven Mnuchin and the Federal Reserve’s Jerome Powell have been put on notice about the risk of an economically damaging cash crunch in the \$11 trillion home mortgage market. Behind the concern aired recently at the Financial Stability Oversight Council headed by Secretary Mnuchin: The rapid growth of so-called shadow banks in the origination and servicing of home loans, especially riskier ones. “There is a real weakness here,” said University of California, Berkeley professor Nancy Wallace, who co-authored a 2018 paper entitled ‘Liquidity Crises in the Mortgage Market’ with a fellow academic and three Fed economists.”

<https://www.bloomberg.com/news/articles/2019-11-05/mortgage-liquidity-squeeze-flagged-as-risk-to-powell-mnuchin?srnd=economics-vp>

## ■ PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at November 04, 2019

	Percentage (%)
<b>Yield to Maturity</b>	5.24
<b>Weighted Average Coupon</b>	5.442
<b>Current Yield</b>	4.32

The platinum portfolio has an effective maturity of 13.08 years and duration of 4.61 years.

## ■ Asia: China Wants U.S. to Drop Tariffs on \$360 Billion of Imports for Trade

“China is seeking the roll back of U.S. tariffs on as much as \$360 billion of Chinese imports before President Xi Jinping agrees to go to the U.S. to sign a partial trade deal with President Donald Trump, according to people familiar with the matter. Negotiators asked the Trump administration to eliminate tariffs on about \$110 billion in goods that were imposed in September and lower the 25% tariff rate on about \$250 billion that began last year, said some of the people, who asked not be named discussing the private talks. Chinese officials also suggested the U.S. could temporarily waive some tariffs, people familiar with Beijing’s position said.”

<https://www.bloomberg.com/news/articles/2019-11-05/china-wants-trump-tariff-rollback-as-price-for-phase-one-deal?srnd=premium-asia>

## ■ 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.

## 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.

**Company Disclosure** -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

### 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)



[www.mayberryinv.com](http://www.mayberryinv.com)

**OVER 30 YEARS OF EXPERIENCE +  
CUTTING EDGE MARKET RESEARCH**

**POSITIVE TRANSFORMATION FOR OUR CLIENTS**

MANAGED FUNDS SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING  
SOLUTIONS • RETIREMENT PLANNING SOLUTIONS