

# DAILY MARKET SUMMARY



VOLUME 3 April 6, 2020

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

Stock Symbol	ECL	MAILPAC	JP	CFF	HONBUN
Current Price (\$)	3.12	1.70	20.35	10.00	6.46
Trailing EPS (\$)	0.32	0.11	1.07	0.35	0.36
P/E (times)	9.79	15.31	18.96	28.55	18.18
Projected P/E	9.13	14.20	18.24	12.93	16.77
Projected EPS (\$) <sup>*</sup>	0.34	0.12	1.12	0.77	0.39
Book Value per share (\$)	0.39	0.14	12.33	4.89	1.66
Price/Book Value (times)	7.93	12.43	1.65	2.05	3.90
Dividend Yield (2019 %)	N/A	N/A	N/A	1.32%	1.54%
Volumes	256,472	2,056,859	15,332	NIL	513,160
Recommendation	BUY	BUY	SELL	HOLD	HOLD

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

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	139.400	118.000	134.5477	140.000	118.000	136.9368
CAN	95.000	80.000	92.1994	100.000	80.000	98.2026
GBP	170.800	138.000	167.7869	174.000	141.000	169.6043
EURO	144.650	125.000	143.8819	150.950	134.000	150.1581

\*Rates as at April 3, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (April 6, 2020) trading session. The over night rate stood at 0.30% to 0.50%, while the 30-day rate was 1.70% to 1.90%.

The US dollar fixed income market was also liquid during today's (April 6, 2020) trading session; The overnight market rates were quoted at 2.00% while the 30-day market rates stood at 2.40% to 2.60%.

## STOCK OF THE DAY: Caribbean Flavours and Fragrances (CFF)

### For the year ended December 31, 2019:

Caribbean Flavours and Fragrances (CFF), revenues increased to \$462.46 million for the twelve months ended December 31, 2019. Cost of sales amounted to \$323.30 million.

The Company recorded a year over year increase in total expenses to \$117.24 million. Total expenses comprised of selling and distribution which totalled \$3.40 million, whereas, administrative expenses for the period closed at \$113.84 million.

Consequently, profit from operations for the period closed at \$21.92 million.

Finance income for the year amounted to \$15.41 million, while finance cost closed at \$520,000. As such, pre-tax profit amounted to \$36.81 million for the year ended December 31, 2019.

Consequently, after incurring taxation of \$5.31 million (2018: \$19.29 million), net profit for the period amounted to \$31.50 million.

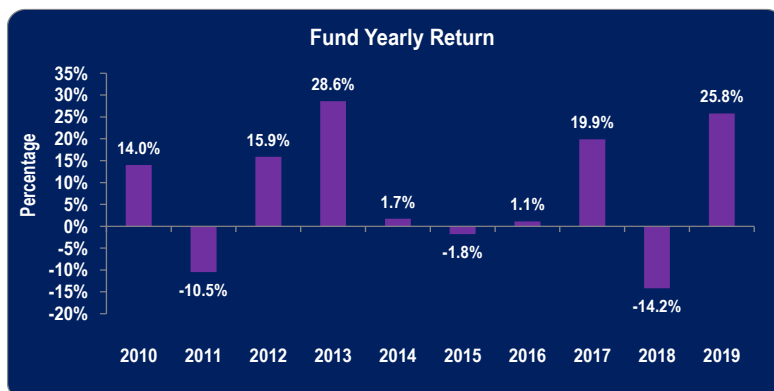
The earnings per share for the year amounted to \$0.35. The number of shares used in this calculation was 89,920,033 units.

## Over The Counter Funds (CI FUNDS)

### Synergy Global Corporate Class

This fund invests primarily in equity and equity-related securities of global momentum companies situated in the developed markets represented in the MSCI World Index - C\$.

The fund has a 3 year return of 4.6% and a 5 year return of 2.8%. The Fund also has a 10 year return of 6.6%. Rates are as at February 29, 2020.



“This is normally the time of year when the federal government is collecting taxes due, but the devastating coronavirus now has the U.S. trying to rapidly dole out hundreds of billions of dollars in aid and tax breaks to businesses large and small. There are different pots of money for different kinds of companies. Banks on Friday began accepting applications for the \$350 billion available for small and medium companies under the Small Business Administration’s Paycheck Protection Program, established as part of the \$2.2 trillion economic rescue package.”

<https://www.bloomberg.com/news/articles/2020-04-06/billions-in-stimulus-cash-who-gets-it-and-how-to-get-access?srnd=premium>

“Spain reported the lowest number of new coronavirus cases in more than two weeks and German infections were the fewest in six days, tentative signs that the spread of the deadly disease is slowing in Europe’s worst-hit countries. The most recent figures from Spain, Italy, Germany and France suggest containment measures that have idled millions of workers are having an effect. While most leaders pleaded for patience, Austria became the first country in Europe to ease restrictions and Denmark may follow later.”

<https://www.bloomberg.com/news/articles/2020-04-06/german-coronavirus-cases-exceeds-100-000-as-deaths-increase?srnd=premium-europe>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at April 6, 2020

	Percentage (%)
<b>Yield to Maturity</b>	6.12
<b>Weighted Average Coupon</b>	5.225
<b>Current Yield</b>	6.37

The platinum portfolio has an effective maturity of 12.87 years and duration of 4.08 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)



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