

# DAILY MARKET SUMMARY



VOLUME 3 October 30, 2020

## LOCAL STOCK MARKET: (J\$) +

Stock Symbol	WISYNCO	CAR	CCC	FTNA	MTL
Current Price (\$)	15.58	6.43	55.59	4.96	0.15
Trailing EPS (\$)	0.75	0.68	2.99	0.22	0.00
P/E (times)	20.85	9.43	18.60	22.41	140.37
Projected P/E	21.40	10.30	14.12	20.70	19.67
Projected EPS (\$)*	0.73	0.62	3.94	0.24	0.01
Book Value per share (\$)	3.46	0.30	12.43	1.19	0.06
Price/Book Value (times)	4.50	21.48	4.47	4.15	2.36
Dividend Yield (2019 %)	1.55%	7.07%	N/A	N/A	1.15%
Volumes	59,151	216,529	54,477	139,121	NIL
Recommendation	HOLD	BUY	BUY	HOLD	SELL

## FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	148.900	114.210	145.9384	152.280	118.229	147.5785
CAN	113.200	95.740	111.2974	114.000	100.000	111.4905
GBP	191.947	152.139	185.5652	196.426	160.922	190.7096
EURO	168.500	153.000	166.1186	176.120	165.300	173.4653

\*Rates as at October 29, 2020

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (October 30, 2020) trading session. The overnight rate stood at 0.30% to 0.50%, while the 30-day rate was 1.40% to 1.60%.

The US dollar fixed income market was also liquid during today's (October 30, 2020) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.70% to 1.90%.



## STOCK OF THE DAY: Wisynco Group Limited (WISYNCO)

### For the year ended June 30, 2020:

Wisynco Group Limited for the year ended June 30, 2020, reported total revenue of \$32.17 billion a 19% increase when compared with the \$26.94 billion reported in 2019.

Cost of sales for the year amounted to \$21.10 billion, up 25% relative to \$16.87 billion reported in 2019. Consequently, gross profit rose 10% to close at \$11.07 billion compared to the \$10.07 billion a year earlier.

Total expenses, for the twelve months ended June 30, 2020, rose 13% to close at \$8.16 billion (2019: \$7.22 billion). Of total expenses, selling and distribution expenses climbed 11% to total \$6.78 billion (2019: \$6.12 billion), while administrative expenses increased 25% to \$1.37 billion (2019: \$1.10 billion).

Other income for the year decreased 51% to \$142.65 million (2019: \$288.66 million). As such, WISYNCO booked a 3% decline in operating profit to \$3.05 billion (2019: \$3.14 billion).

Finance income amounted to \$320.50 million, up 169% from the \$119.22 million reported in 2019. Finance costs decreased 32% to \$155.84 million for the year from \$230.21 million for 2019. Moreover, the Company reported 'Share of results of associate' of \$984,000 for the year (2019: 7.79 million).

Profit before taxation amounted to \$3.22 billion, relative to \$3.03 billion reported in 2019, a 6% increase year over year. Taxation for the period amounted to \$557.57 million (2019: \$491.72 million). Profit from continuing operation amounted to \$2.66 billion relative to \$2.54 billion booked for the comparable period in 2019. The Company booked a 64% decrease in profit from discontinued operations from \$387.16 million to \$139.74 million for the year ended June 30, 2020.

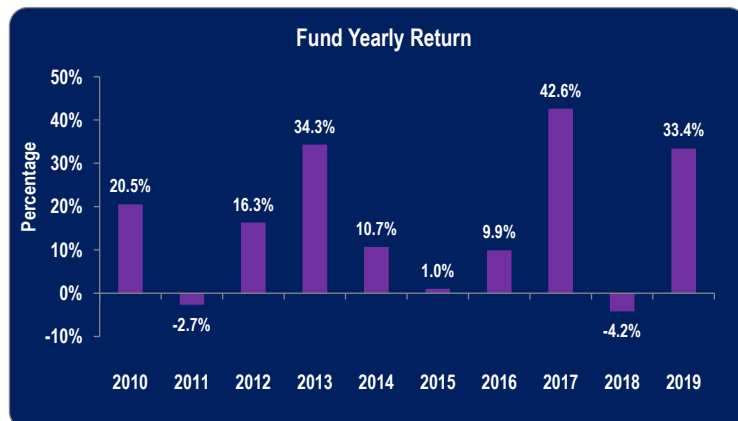
As such, net profit decreased 4% to \$2.80 billion relative to \$2.93 billion posted in 2019. Notably, total comprehensive income for the year amounted to \$2.84 billion (2019: \$2.94 billion). Earnings per share (EPS) for the year end amounted to \$0.76 (2019: \$0.78). The number of shares used in our calculations is 3,750,000,000.

## Over The Counter Funds (CI FUNDS)

### Signature Global Technology Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world that have developed or are developing technological products, processes or services.

The fund has a 3 year return of 22.1% and a 5 year return of 23.6%. The Fund also has a 10 year return of 17.7%. Rates are as at September 30, 2020.



\*Prices are as at October 30, 2020 \*Projections are made to the company's financial year end

“Americans’ incomes increased in September by more than expected, boosted by employment gains and helping to propel consumer spending at the end of the third quarter. Personal incomes rose 0.9% from the prior month following a 2.5% decline in August, a Commerce Department report showed Friday. That compared with estimates for a 0.4% gain. Household outlays advanced 1.4%, also exceeding forecasts.”

<https://www.bloomberg.com/news/articles/2020-10-30/u-s-personal-income-spending-increase-by-more-than-forecast?srnd=economics-vp>

“Europe’s economic recovery is being cut short as governments implement new restrictions to fight the coronavirus that risk driving the region toward another recession. The euro area’s four biggest economies are going into various forms of lockdown, overshadowing data on Friday that showed a record surge in third-quarter output. A new slump is on the cards, governments are pumping in additional aid, and the European Central Bank is promising more monetary stimulus amid the rapidly deteriorating situation.”

<https://www.bloomberg.com/news/articles/2020-10-30/coronavirus-lockdowns-bring-recession-threat-back-to-europe?srnd=economics-vp>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at October 26, 2020

	Percentage (%)
<b>Yield to Maturity</b>	4.13
<b>Weighted Average Coupon</b>	4.917
<b>Current Yield</b>	4.92

The platinum portfolio has an effective maturity of 13.31 years and duration of 4.86 years.

## STRUCTURED PRODUCT

### Mayberry Individual Retirement Plan (IRP)

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions then they might otherwise do.

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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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