

DAILY MARKET SUMMARY



VOLUME 1 January 8, 2021

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	SVL	SML	LASD	JBG	PBS
Current Price (\$)	17.77	5.02	3.20	27.51	0.79
Trailing EPS (\$)	0.85	0.35	0.236	1.46	0.01
P/E(times)	20.98	14.44	13.56	18.87	111.30
Projected P/E	17.49	17.36	12.40	15.82	156.53
Projected EPS (\$) ⁺	1.02	0.29	0.258	1.74	0.01
Book Value per share (\$)	1.46	5.52	1.72	14.30	0.26
Price/Book Value (times)	12.13	0.91	1.86	1.92	3.04
Dividend Yield (2019 %)	4.09%	3.45%	1.56%	1.05%	1.08%
Volumes	27,692	1,040	97,575	385,609	NIL
Recommendation	BUY	HOLD	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

Currency	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	145.000	110.160	142.3228	149.000	131.000	143.2029
CAN	114.350	90.216	113.6366	117.600	102.000	113.8825
GBP	198.800	170.000	187.5087	200.970	171.000	195.8710
EURO	174.171	155.000	172.2242	180.400	168.200	178.4753

*Rates as at January 07, 2021

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 08, 2021) trading session. The over night 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 (January 08, 2021) 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: Jamaica Broilers Group (JBG)

For the six months ended October 31, 2020:

JBG reported Total Revenues of \$26.54 billion for the six months ended October 31, 2020, a 1% increase on the \$26.27 billion reported in 2019.

- The Jamaica Operations, which accounted for approximately 59% of total revenues, contributed \$15.56 billion, a decline of 8% relative to \$16.85 billion in 2019.
- US Operations (approximately 37% of total revenues) contributed \$9.94 billion, increasing 18% relative to \$8.43 billion for the prior year's comparable period.

Haiti Operations (approximately 4% of total revenue) contributed \$1.05 billion compared to \$989.02 million reported in 2019.

Cost of Sales for the six months period increased by 2% to \$20.09 billion from \$19.77 billion in 2019. Consequently, Gross Profit increased to \$6.45 billion, down 1% relative to \$6.49 billion reported in 2019.

Distribution costs decreased to \$1.10 billion for the period compared to \$1.11 billion for the corresponding period last year, while administration and other expenses fell by 7% to \$3.88 billion (2019: \$4.18 billion). The Company reported other income of \$228.47 million for the period relative to \$102.53 million reported in 2019, up 123% year on year.

Operating Profit increased by 30%, totalling \$1.70 billion for the six-month period relative to \$1.31 billion last year. JBG reported no Finance Income for the period under review (2019: \$36.46 million), while finance costs fell by 65% to \$179.88 million relative to \$518.15 million in 2019.

Profit before Taxation rose 85% to \$1.52 billion (2019: \$823.40 million). Following taxation for the period of \$415.39 million (2019: \$156.68 million), Net profit went up 66% to a total of \$1.11 billion (2019: \$666.72 million).

Net Profits attributable to shareholders amounted to \$1.03 billion, 51% higher than the \$685.63 million reported in 2019. Total comprehensive income for the six months amounted to \$1.78 billion relative to \$852.74 million.

Earnings per share (EPS) for period totalled \$0.86 (2019: \$0.57). The twelve months trailing EPS totalled \$1.46. The total number of shares employed in our calculations amounted to 1,199,276,400 units

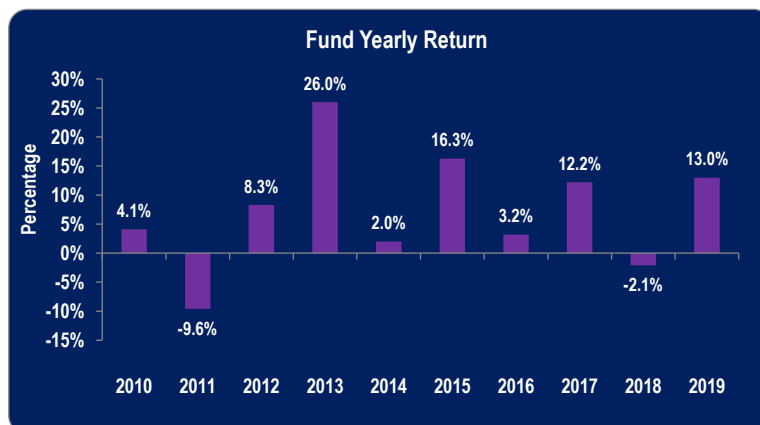
⁺Prices are as at January 08, 2021*Projections are made to the company's financial year end

Over The Counter Funds (CI FUNDS)

CI International Value Fund

This fund invests primarily in equity and equity-related securities of companies whose primary operations are outside of North America.

The fund has a 3 year return of 1.6% and a 5 year return of 4.6%. The Fund also has a 10 year return of 6.6%. Rates are as at November 30, 2020.



“U.S. job growth probably suffered a sharp slowdown in December, with further weakness expected until Covid-19 vaccines reach a larger swath of Americans and restore broader economic activity. Economists project the government jobs report on Friday will show the unemployment rate increased for the first time in eight months with employers hiring 50,000 workers, the fewest since payrolls started to recover in May. That pace, typically insufficient to reduce the jobless rate, would be lackluster growth even in pre-pandemic times, and more than a quarter of forecasters surveyed expect employment to decline amid soaring infections that have spurred states to tighten restrictions.”

<https://www.bloomberg.com/news/articles/2021-01-07/sharp-u-s-hiring-downshift-projected-with-more-risks-on-horizon?smd=economics-vp>

“Like many other Italian restaurants in London, the eatery Olivo is very much a product of the European Union’s single market. Its staff is mostly from Sardinia, able to work in the U.K. without special papers or visas. And its gourmet meals are made possible by a supply chain that extends across national borders to the island in the Mediterranean. Every week for the past 10 years, pallets loaded with fresh produce, cheese, cured grey mullet eggs and many other Sardinian specialties have left a small warehouse in the town of Elmas to be transported to the restaurant some 1,900 kilometers (1,181 miles) away.”

<https://www.bloomberg.com/news/newsletters/2021-01-08/supply-chains-latest-brexit-sees-eateries-fight-harder-for-quality-fare?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at January 04, 2021

	Percentage (%)
Yield to Maturity	3.96
Weighted Average Coupon	4.903
Current Yield	4.83

The platinum portfolio has an effective maturity of 13.29 years and duration of 4.88 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, www.bloomberg.com, www.investopedia.com, www.tradewire.com



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