

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock symbol	GK	KREMI	NCBFG	JETCON	PURITY
Current Price (\$)	41.05	7.30	62.69	11.50	2.99
Trailing EPS (\$)	4.16	0.47	6.34	0.51	0.05
P/E (times)	9.86	15.63	9.88	22.60	64.47
Projected P/E	8.68	13.93	8.83	13.16	52.45
Projected EPS (\$)*	4.73	0.52	7.10	0.87	0.06
Book Value per share (\$)	43.76	1.47	41.39	1.35	2.46
Price/Book Value (times)	0.94	4.98	1.51	8.55	1.22
Dividend Yield (2016 YTD %)	3.76%	0.67%	4.80%	NIL	NIL
Volumes	1,070,424	20,100	15,500	1,000	4,500
Recommendation	HOLD	BUY	HOLD	BUY	SELL

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.250	92.550	128.2058	139.440	100.260	128.9114
CAN	96.800	69.000	95.3885	104.810	90.500	96.0488
GBP	160.800	116.630	157.2186	171.050	152.400	159.8512
EURO	135.000	99.000	134.3790	149.160	132.750	136.2263

\*Rates as at April 7 2017

### MONEY MARKET

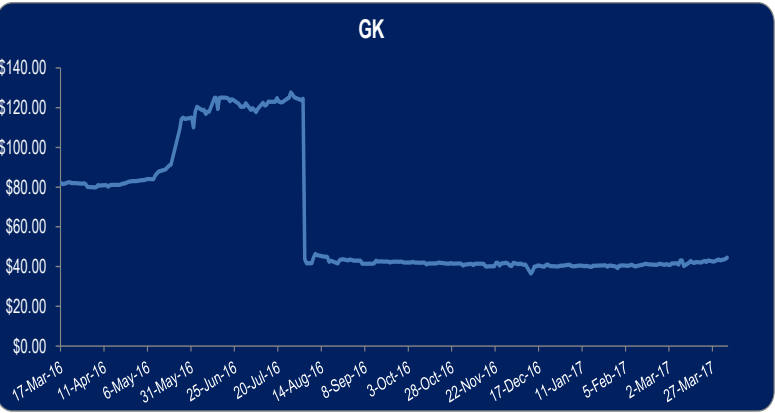
The Jamaican dollar fixed income market was illiquid in today's (April 10, 2017) trading session. The overnight rates were quoted around 4.50% to 5.00% while the 30-day rates were between 5.75% to 6.50%.

The US dollar fixed income market was also liquid during today's (April 10, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.30% to 1.35%.

### OVER THE COUNTER FUNDS (CI FUNDS)

**CI American Small Companies Fund**

This fund's objective is to seek above-average capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization North American companies. The fund has a 1 year return of 27.5% and a 5 year return of 17.6% as at February 28, 2017. The Fund has a three months return of 5.4%, while the one month return was 4.8%.



### STOCK OF THE DAY: GraceKennedy Limited (GK)

For the Financial Year ended December 30, 2016:

Revenue totalled \$88.27 billion for FY2016 (2015: \$79.74 billion), a year over year increase of 11% while Revenue for the fourth quarter 2016 totalled \$21.62 billion compared to the \$20 billion reported in the 4th quarter 2015 results, an 8% increase year over year. The biggest contributor to the group's overall revenue for 2016 was the income from the 'Food Trading' segment which contributed a total of \$69.07 billion (FY2015: \$62.93 billion), an increase of 10% relative to FY 2015.

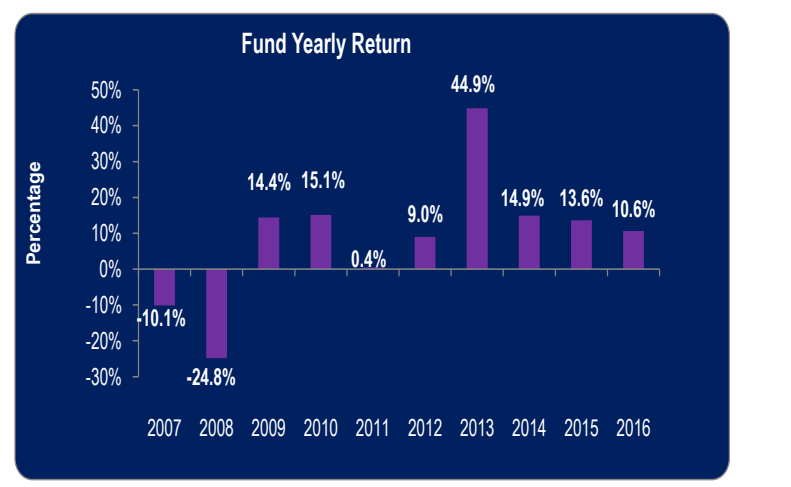
Among the other segments contributing to revenue, 'Banking & Investments' increased 11% to total \$5.62 billion. Revenue from 'Insurance' amounted to \$6.37 billion, an increase of 8%, while 'Money Services' brought in \$7.85 billion, a 19% improvement relative to the FY2015 results.

Total Expenses amounted to \$84.69 billion relative to \$76.95 billion the year prior, a 10% growth. Other Income rose 52% to total \$2.38 billion (FY2015: \$1.57 billion) due to 'Gain on disposal of Investment' which amounted to \$610.57 million for 2016 relative to \$9.18 million in 2015. As such, 'Profit from Operations' amounted to \$5.97 billion, a 37% improvement year over year from \$4.36 billion in FY2015.

Interest income from non-financial services rose 10% to total \$372.28 million compared to \$339.15 million reported the prior financial year. Interest expenses from non-financial services amounted to \$676.86 million versus \$715.7 million in FY2015, a 5% reduction.

Share of results of associated companies increased by 40% amounting to \$441.15 million, compared to \$316.19 million reported in FY2015. Pre-tax profits totalled improved 42% to approximately \$6.1 billion, relative to pre-tax profit of \$4.3 billion booked in FY2015. GK incurred taxation expenses amounting to approximately \$1.57 billion compared to \$1.27 billion in FY2015. Consequently, net profit increased by 50% to \$4.53 billion for FY 2016, from the \$3.03 billion booked for FY2015.

Net Profits attributable to shareholders amounted to \$4 billion for FY2016 compared to \$2.8 billion for the prior year showing a 45% increase. Net Profits increased by 11% for the 4th quarter 2016 results totalling \$835.37 million compared to \$752.97 million reported in the comparable 2015 period. Earnings per share for FY2016 amounted to \$4.03 (FY2015:\$2.77) and \$0.70 for the fourth quarter (2015:\$0.72). The number of shares used in our calculations is 994,886,892 units.



\*Prices are as at April 10, 2017    \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: Trump considers trade order that could lead to duties: official**

“U.S. President Donald Trump is considering an executive order to launch a trade investigation that could lead to supplemental duties in certain product categories, a Trump administration official told Reuters. Trump has made reducing U.S. trade deficits a key focus of his economic agenda to try to grow American manufacturing jobs. He has taken particular aim at renegotiating trade relationships with China and Mexico. The new order, if issued, would seek to determine whether U.S. trade deficits for those product lines are the result of dumping of imported products below cost and unfair subsidies by foreign governments, the official said late on Sunday in Washington. That could eventually lead to additional import duties, but any decisions on such punishments would depend on the probe's findings, not "pre-determined conclusions," said the official, who spoke on the condition of anonymity because the order was still being considered. The official did not specify which product lines could be investigated. “

<http://www.reuters.com/article/us-usa-trump-trade-order-idUSKBN17C0DT>

**Europe: Euro zone recovery on track despite political uncertainty: ECB's Draghi**

“The recovery of the euro zone's economy will stay on track this year although heightened political uncertainty around the globe is likely to persist, the president of the European Central Bank said in its annual report. "Political uncertainty is likely to persist into 2017. But we remain confident that the economic recovery, buoyed by our monetary policy, will continue," Mario Draghi wrote in the report, published on Monday. The ECB has cut its main policy rate to zero and has purchased bonds worth trillions of euros in the aftermath of the 2007-09 financial crisis. The central bank has to decide later this year if it wants to wind down its money-printing from January, a policy action its critics - mainly in the bloc's powerhouse Germany - have long been asking for.”

<http://www.reuters.com/article/us-ecb-policy-draghi-idUSKBN17C1FV>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at April 10, 2017**

	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.486
Current Yield	5.58

The platinum portfolio has an effective maturity of 10.05 years and duration of 4.28 years.

**STRUCTURED PRODUCT**

**Mayberry Platinum**

Mayberry Platinum is a managed fixed income portfolio that is denominated in US dollars consisting of corporate and sovereign bonds. The objective of the product is to provide income and capital appreciation over the medium to long-term. Bonds in the portfolio will be directly owned by the customer and may be used as collateral for loans.

**DISCLAIMER**

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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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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS

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