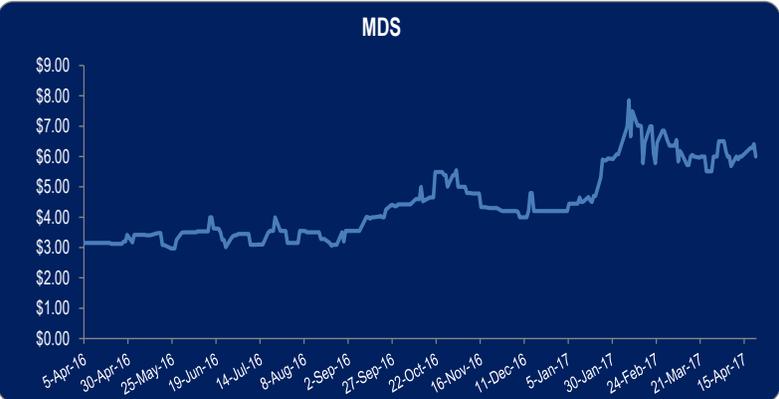


## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock symbol	JMMBGL	KREMI	MDS	HONBUN	SJ
Current Price (\$)	20.01	7.54	6.00	7.49	32.87
Trailing EPS (\$)	1.97	0.47	0.36	0.28	2.88
P/E (times)	10.15	16.14	16.69	26.72	11.40
Projected P/E	8.51	14.38	14.45	24.78	10.57
Projected EPS (\$)*	2.35	0.52	0.42	0.30	3.11
Book Value per share (\$)	14.99	1.47	1.88	1.08	14.44
Price/Book Value (times)	1.34	5.14	3.19	6.93	2.28
Dividend Yield (2016 YTD %)	2.76%	0.67%	2.21%	2.22%	3.83%
Volumes	119,977	188	42,173	3,944	38,500
Recommendation	BUY	BUY	HOLD	SELL	HOLD



### STOCK OF THE DAY: Medical Disposables & Supplies Limited

For the nine months ended December 2016:

Revenue amounted to \$1.26 billion, an increase of 37%, when compared with the \$918 million booked last year. Revenue for the quarter totalled \$431.9 million up 35% year over year (2015: \$319.14 million). Cost of sales rose by 43% to total \$955 million relative to the \$665.8 million reported for the same period last year. Consequently, gross profit increased 20% or \$50.9 million to a total of \$303.4 million in 2016 relative to the \$252.4 million for the corresponding period in 2015. MDS highlighted that “this improvement in the gross profit was driven by increased sales as a result of new business line.”

Total operating cost closed the period at \$211 million, up 25% (2015: \$169 million). Of this selling and promotional costs increased 27% to \$76.8 million (2015: \$60.6 million) while, other operating expenses also increased by 33% to \$19.67 million for the period (2015: \$14.7 million). Administrative expenses increased by 22% to \$114.6 million from \$93.8 million last year. Depreciation and amortization charges, in particular, increased by \$7.5m or 198% as a result of the property purchased at 83 Hagley Park Road for the purpose of expansion of the business.” Operating costs for the quarter closed at \$70.88 million (2015: \$56.11 million) Loss on foreign exchange grew by 28% to \$2.1 million compared a loss of \$1.65 million in 2015. Finance Income decreased by \$807,000 to total \$88,000 while finance costs increased by 81% to \$26.6 million for the period compared to \$14.72 million the prior year. As a result, MDS reported profit before tax of \$66.8 million, a 1% decrease relative to the \$67.87 million reported in 2015. Consequently net profit for the period amounted to \$66.8 million relative to \$66.87 million in 2015, after a tax charge of \$60,000 for the 2016 period. Net profit for the quarter amounted to \$29.23 million (2015: \$24.26 million). Earnings per share for the period amounted \$0.2538 (2015: \$0.2541). EPS for the quarter amounted to \$0.111 relative to \$0.092 in 2015. The trailing twelve month EPS amounted to \$0.365. The number of share used in the calculations is 263,157,895.

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.000	93.000	128.1450	140.120	100.750	128.9558
CAN	96.850	69.230	94.7942	104.300	92.000	96.2396
GBP	166.000	120.000	160.7784	180.800	157.500	164.7701
EURO	138.000	100.280	132.6779	151.080	132.000	140.3968

\*Rates as at April 24 2017

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today’s (April 25, 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 25, 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 Pacific Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of companies whose primary operations are outside of North America . The fund has a 1 year return of 17.5% a 3 year return of 7.9% and a 5 year return of 10.3% as at March 31, 2017. The Fund also has a three months return of 5.8%.



<sup>+</sup>Prices are as at April 25, 2017    <sup>\*</sup>Projections are for the forward 12 months from the most recent quarter results

**U.S.: There's a Huge Disagreement Between Bonds and Stocks**

“There's a Huge Disagreement Between Bonds and Stocks. In the green corner are stocks. The Standard & Poor's 500 index is just 0.2 percent away from a record high reached in March on bets that Donald Trump's administration will push through tax-code changes to spark growth. In the red corner sit U.S. government bonds, where benchmark 10-year Treasury yields have unwound almost half of their post-election increase, suggesting a far more pessimistic view of the economy. “The increasing divergence between global equity market performance and bond markets has raised questions as to whom is right,” Jefferies Group LLC analysts led by Sean Darby wrote in a note. Figuring out which market will be on the right side of history is a pressing issue for analysts, investors and traders. If government bonds prove correct, risk appetite may soon vanish; if the optimism displayed by stocks and corporate bonds is vindicated, then interest-rate markets are likely to sell off in coming months, according to strategists.”

<https://www.bloomberg.com/news/articles/2017-04-25/-extreme-treasury-stock-schism-vexes-markets-amid-risk-rally>

**Europe: EU tightens Brexit demands on residence, banks: document**

“European Union leaders will insist Britain grant permanent residence to EU citizens who arrive before Brexit in 2019 and stay five more years, according to a draft negotiating plan they will endorse this weekend. In the latest sign of the bloc cranking up pressure on Prime Minister Theresa May to guarantee full rights after Britain's departure for the 3 million EU nationals living there, new draft guidelines include wording that diplomats said aims to head off any British move to cut immigrant numbers by forcing people out. The nine-page document, seen by Reuters on Tuesday and which officials do not expect to be significantly changed before May's 27 EU peers sign off on it over lunch in Brussels on Saturday, was also revised on Monday to make clear there is no guarantee that a future EU-UK free trade deal will give Britain's big financial services industry access to the bloc.”

<http://www.reuters.com/article/us-britain-eu-negotiations-idUSKBN17R1XJ>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at April 24, 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 Gold**

This discretionary managed portfolio consisting of fixed income securities seeks to provide the best return to investors commensurate with level of risk. When compared to similar type products such as Savings accounts or Fixed Deposit, the return provided is more attractive. Currently Mayberry Gold provides a return of approximately 8.50% before deducting fees. The portfolio is professionally managed, with all investment parameters being considered before a security is bought for a customer.

**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)

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH  
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS

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



...BULLISH ON JAMAICA



**MAYBERRY INVESTMENTS LIMITED**  
 A Member of the Jamaica Stock Exchange

1 1/2 Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9  
[research@mayberryinv.com](mailto:research@mayberryinv.com) ☎ [sales@mayberryinv.com](mailto:sales@mayberryinv.com) ☎ [www.mayberryinv.com](http://www.mayberryinv.com)