

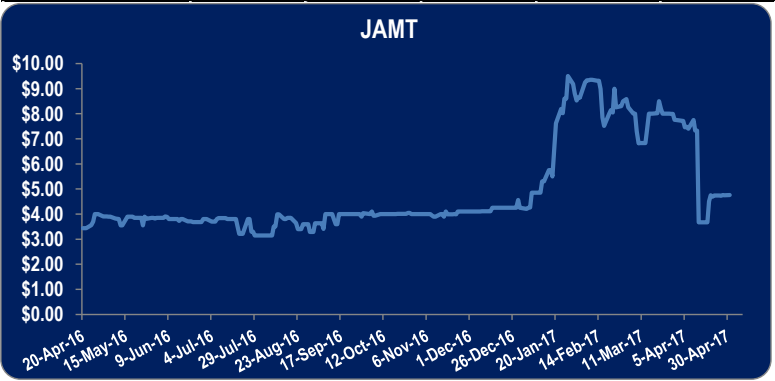
## DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +					
Stock Symbol	JAMT	SALF	HONBUN	SGJ	TTECH
Current Price (\$)	5.00	8.00	7.81	43.33	6.96
Trailing EPS (\$)	0.19	0.86	0.26	3.74	0.37
P/E (times)	26.41	9.27	30.11	11.57	18.75
Projected P/E	19.40	7.00	21.42	10.60	14.21
Projected EPS (\$)*	0.26	1.14	0.36	4.09	0.49
Book Value per share (\$)	1.38	7.49	1.14	29.82	1.42
Price/Book Value (times)	3.63	1.07	6.82	1.45	4.89
Dividend Yield (2016 YTD %)	N/A	5.18%	2.22%	4.57%	0.71%
Volumes	134,800	122,816	26,800	16,571	19,251
Recommendation	HOLD	BUY	HOLD	HOLD	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *						
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.700	93.380	129.3417	140.690	121.800	129.9077
CAN	96.100	74.340	94.7912	103.390	91.000	95.4844
GBP	167.200	132.440	165.7085	184.190	157.000	167.4112
EURO	140.000	102.750	137.0528	154.810	137.000	143.3282

\*Rates as at May 9, 2017



### STOCK OF THE DAY: Jamaica Teas (JAMT)

For the 3 months ended December 2016:

Jamaica Teas reported revenue for the first quarter ended December 2016 of \$373.9 million, an increase of 9% compared to the \$344.6 million booked for the corresponding period in 2015. According to the company, "The improvement in revenues is due to increase in completion of sales of our residential units, 11% increase in sale for our products in the local market and moderate growth in our supermarket by 4%, negatively impacted by a temporary slippage in sales to the overseas markets. Sales at the manufacturing operation were helped by the introduction of new products during 2016." Other Income increased by 26% for the quarter moving from \$13.36 million in 2015 to \$16.89 million in 2016.

Cost of sales increased 8% to \$287.8 million (2016: \$267.17 million). As a result, Gross Profit grew 11% to \$86.09 million. With regard to its real estate portfolio, during the year, the company completed sales of 8 residential units. "This brings the total number of units sold and delivered in the Orchid Estate project to 29." The company currently have another 18 units in the scheme completed and under sales contracts. JAMT expect "construction of the remaining 25 units will be completed within the next 6 months."

Administrative Expenses increased by 26% to \$32.17 million for the first quarter ended December 2016 relative to \$25.49 million for the same period of 2015. Sales and Marketing cost increased by 5% for the quarter relative to 2015 closing at \$8.23 million. There was a 14% reduction in finance cost moving from \$10.65 million in 1st Quarter 2015 to \$9.13 million in 2016. Total expenses finished with an overall 13% increase, JAMT noted that it was mostly due to an increase in staff costs. Pre-tax profits climbed by 14% for the 3 months ended December 2016, compared to same period for the 2015, increasing from \$46.84 million to \$53.47 million. JAMT incurred tax expenses of \$6.27 million compared to \$5.95 million during the 2015 comparable period. Although there was an increase in taxes Net Profit increased by 15% to close the quarter with \$47.16 million.

Consequently earnings per share increased to \$0.14 compared to \$0.12 in the 1st Quarter 2015 period.

### MONEY MARKET

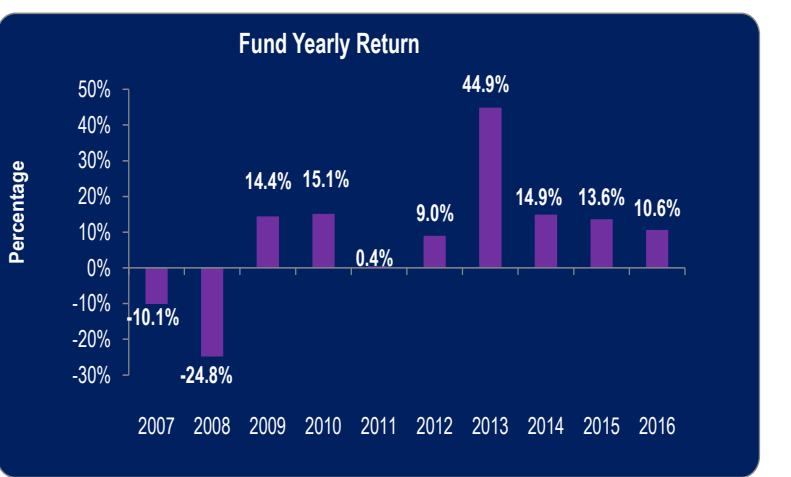
The Jamaican dollar fixed income market was illiquid in today's (May 10, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (May 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 28% and a 5 year return of 18% as at April 30, 2017. The Fund also has a three months return of 7.0%.



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

**U.S.: U.S. Stocks Boosted by Oil Rally as Dollar Slips: Markets Wrap**

“U.S. stocks churned near all-time highs as oil jumped above \$47 a barrel, while Treasuries advanced and the dollar’s rally faltered as markets showed little reaction to political events roiling Washington. The S&P 500 Index edged higher in afternoon trading, withing points of a record in the wake of President Donald Trump’s firing of FBI Director James Comey. Energy shares led gains as crude surged almost 4 percent. The greenback headed for the first drop in three days as Federal Reserve Bank of Dallas President Robert Kaplan cast doubt on the pace of rate hikes. Treasuries advanced, while gold ended the longest run of losses since October. Europe’s Stoxx 600 Index climbed.”

<https://www.bloomberg.com/news/articles/2017-05-09/asian-stocks-set-to-advance-as-yen-weakens-markets-wrap>

**Europe: Hong Kong Luxury-Homes Market Eclipses London**

“Hong Kong has overtaken London as the world’s top market for luxury homes after seeing a record number of \$100 million-plus deals. Four out of the record 10 homes that sold for this amount last year were in Hong Kong, according to a Christie’s International Real Estate survey published Wednesday. London, which notched up two \$100 million deals, dropped to second place in the broker’s luxury-homes ranking for the first time in its five-year lifespan. New York retained third place. Peaks in markets like Hong Kong have been set against “more turbulent waters witnessed in deep markets like the U.K., which has had to deal with an election, new taxes from a Conservative government, Brexit, and yet another election,” Dan Conn, CEO of Christie’s property division, said in a statement. While the very top of the real estate market is thriving, sales of more modestly priced luxury properties are starting to slow. Sales of homes costing at least \$1 million grew 1 percent worldwide last year, down from 8 percent growth in 2015 and a 16 percent increase in 2014, according to the report.”

<https://www.bloomberg.com/news/articles/2017-05-10/mega-deals-help-hong-kong-luxury-homes-market-eclipse-london>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at May 8, 2017	
	Percentage (%)
Yield to Maturity	4.69
Weighted Average Coupon	5.30
Current Yield	5.35

The platinum portfolio has an effective maturity of 11.58 years and duration of 4.10 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.

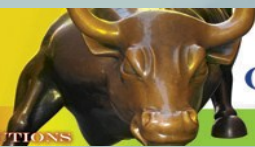
**SELL:** We believe the stock is overpriced relative to the soundness of the company’s fundamentals and long-term prospects.

**SPECULATIVE BUY:** We believe the prospects for capital appreciation exist, however there is some level of uncertainty in revenue growth.

Source: www.jamstockex.com, www.bloomberg.com, www.investopedia.com, 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**



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