

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +					
Stock Symbol	NCBFG	MDS	SALF	SGJ	GK
Current Price (\$)	71.22	5.85	7.50	41.79	42.95
Trailing EPS (\$)	7.26	0.36	0.86	3.74	3.68
P/E (times)	9.81	16.27	8.70	11.16	11.68
Projected P/E	7.82	14.09	6.57	10.22	10.78
Projected EPS (\$)*	9.11	0.42	1.14	4.09	3.98
Book Value per share (\$)	43.14	1.88	7.49	29.82	43.76
Price/Book Value (times)	1.65	3.11	1.00	1.40	0.98
Dividend Yield (2016 YTD %)	4.80%	2.21%	5.18%	4.57%	3.76%
Volumes	170,655	8,676	8,000	91,178	12,006
Recommendation	HOLD	BUY	BUY	HOLD	HOLD

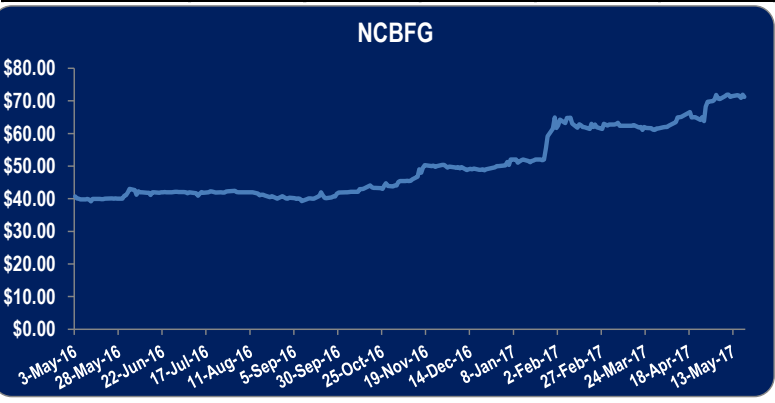
FOREIGN EXCHANGE MARKET TRADING SUMMARY *						
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.550	93.750	130.1659	141.250	101.560	130.4793
CAN	96.550	69.380	95.4313	104.530	89.800	96.8472
GBP	170.500	124.130	165.7096	182.050	162.150	169.2619
EURO	160.000	105.000	140.2083	154.000	140.750	146.5056

*Rates as at May 19, 2017

MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (May 22, 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 22, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.30% to 1.35%.



STOCK OF THE DAY: NCB Financial Group Limited (NCBFG)

For The Six Months Ended March 31, 2017:

Net Interest Income increased by 4.02%, relative to the corresponding period in 2016, to total \$14.64 billion (2016: \$14.07 billion). For the quarter Net Interest Income for improved 9.04% to close at \$7.08 billion (2016: \$7.08). Interest income rose 7.15% year over year to \$20.78 billion compared to \$19.40 billion in 2016, while interest expense amounted to \$6.15 billion relative to \$5.32 billion for the corresponding period in 2016.

Net Fees and Commission Income amounted to \$6.97 billion, an increase of 33.23% versus 2016's \$5.23 billion. The bank also reported a gain on foreign currency and investment activities of \$3.64 billion, a growth of 100.65% relative to \$1.81 billion in 2016. Premium income for the period declined 9.74% to \$3.72 billion (2016: \$4.12 billion), while dividend income increased 83.46% to a total of \$105.85 million (2016: \$57.70 million).

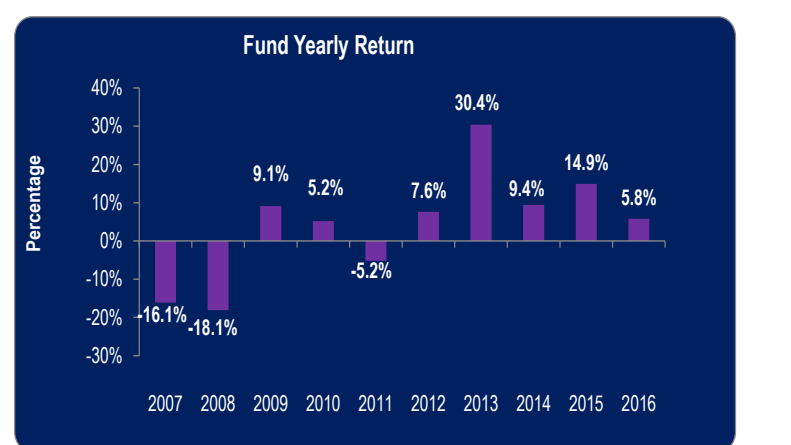
Other Operating Income climbed by 84.86% to \$97.66 million (2016: \$52.83 million). Consequently, total operating income increased 15.07% to a total of \$29.17 billion (2016: \$25.35 billion). Total operating income for the second quarter recorded a 16.88% growth to \$14.95 billion (2016: \$12.79 billion). Total Operating Expenses for the period amounted to \$19.12 billion, an increase of 5.43% compared to the \$18.14 billion reported for the first six months of 2016. Expenses for the quarter rose 5.13% to close at \$9.01 billion compared to \$8.57 billion in 2016. The increase was due to other operating expenses and staff costs expenses. Of these expenses: Staff costs increased 16.59% to \$8.06 billion relative to \$6.91 billion in 2016 and Other operating expenses which grew by 15.01% to \$8.02 billion (2016: \$6.97 billion).

Consequently, operating profit increased 39.33% to total \$10.05 billion (2016: \$7.21 billion). 'Share of profit of associates' surged by 535.93% to total \$1.64 billion compared to \$258.40 million in 2016. Consequently, profit before taxation increased 56.52% to \$11.69 billion relative to \$7.47 billion in 2016. After accounting for taxation of \$2.23 billion (2016: \$1.52 billion), net profit for the six months ended March 31, 2017 totaled \$9.46 billion, an increase of 58.96% compared to \$5.92 billion for the corresponding period of 2016. Net profit for the second quarter improved by 63.03% to close at \$5.87 billion (2016: \$3.60 billion). Earnings per share (EPS) for the six months ended March 31, 2017 totaled \$3.84 relative to \$2.43 booked for the comparable period of 2016. The EPS for the second quarter amounted to \$2.38 (2016: \$1.46). The trailing twelve month EPS amounted to \$7.26. The number of shares used in our calculations amounted to 2,466,762,828 units.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund has a 1 year return of 20.9% and a 5 year return of 13.9% as at April 30, 2017. The Fund also has a three months return of 8.9%.



*Prices are as at May 22, 2017 *Projections are for the forward 12 months from the most recent quarter results

U.S.: Ford names James Hackett CEO as challenges mount

“Ford Motor Co (F.N) on Monday named James Hackett, who heads its unit developing self-driving cars, as chief executive officer, responding to investors' growing unease about the U.S. automaker's stock price and prospects. Hackett, 62, a former CEO of furniture manufacturer Steelcase Inc, will take the helm in a broader shake-up aimed at speeding up decision-making and improving operations. He replaces Mark Fields, 56, who spent less than three years as CEO. Ford shares were up 1.7 percent at \$11.06 in morning trading. At Friday's close, they had fallen 37 percent since Fields took over three years ago, at the peak of the U.S. auto industry's recovery. Now U.S. sales are slipping. The company's profits are trailing those of larger rival General Motors (GM.N), whose shares fell 13 percent over the same period, and Ford's market capitalization has fallen behind electric car maker Tesla Inc's (TSLA.O)”.

<http://www.reuters.com/article/us-ford-motor-ceo-idUSKBN18I0LK>

Europe: EU Approves Tough Brexit Talks Stance, Demanding U.K. Pays

“The European Union finalized its tough Brexit negotiating position, reiterating its hard line on the U.K.'s departure bill and refusing to discuss a future trading arrangement until there is agreement on other key topics. “We want to move to a situation where all the commitments taken by the U.K. will be honored, as will ours with the U.K.” Michel Barnier, the EU's chief Brexit negotiator, told reporters in Brussels on Monday after a meeting of the remaining 27 national governments. “We need to settle the accounts, and that's a question of trust between us to build our future relationship.” Speaking a day after U.K. Brexit Secretary David Davis was quoted in an interview as saying Britain would walk away from talks unless the bloc drops its high financial demands, Barnier said it would be wrong to see any collapse in the negotiations as a success”.

<https://www.bloomberg.com/politics/articles/2017-05-22/eu-approves-tough-brexit-negotiating-stance-demanding-u-k-pays>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 15, 2017	
	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.486
Current Yield	5.58

The platinum portfolio has an effective maturity of 9.97 years and duration of 4.03 years.

STRUCTURED PRODUCT

Mayberry Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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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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