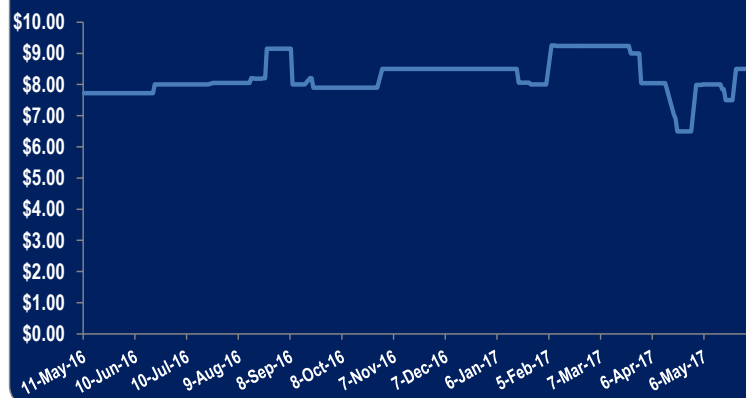


## DAILY MARKET SUMMARY

## LOCAL STOCK MARKET: (J\$) +

Stock Symbol	BPOW	MDS	JMMBGL	SALF	SJ
Current Price (\$)	52.93	6.00	20.51	8.50	33.91
Trailing EPS (\$)	2.20	0.38	2.03	0.86	2.88
P/E (times)	24.07	15.70	10.09	9.85	11.76
Projected P/E	21.78	11.65	10.21	7.44	9.98
Projected EPS (\$)*	2.43	0.52	2.01	1.14	3.40
Book Value per share (\$)	11.58	2.14	15.89	7.49	15.21
Price/Book Value (times)	4.57	2.80	1.29	1.13	2.23
Dividend Yield (2016 YTD %)	0.57%	2.21%	2.76%	5.18%	3.83%
Volumes	NIL	12,393	157,515	NIL	144,126
Recommendation	SELL	HOLD	SELL	BUY	BUY

## HONBUN



## STOCK OF THE DAY: Honey Bun (1982) Limited (HONBUN)

For the Six Months Ended March 31, 2017:

Revenue grew by 12% amounting to \$680.34 million, up from \$607.26 million reported a year ago. The Company had an 18% increase in Cost of Sales to \$383.64 million and consequently, Gross Profit increased by 5% or \$13.19 million year-to-date to \$296.71 million. For the quarter, Gross Profit increased by 9% or \$12.42 million to \$158.07 million.

The Company had Other Losses totaling \$93,163 relative to Gains of \$3.37 million for the same period the prior financial year. The loss was offset by a 41% or \$284,599 increase in Finance Income to \$971,471. Once considered, Profit before Expenses increased by 3% or \$10 million to \$297.58 million.

Administrative Expenses has increased by 15% to \$133.24 million (2015/16: \$116.34 million) while Selling, Distribution & Promotion Expenses increased by 7% to \$73.46 million (2015/16: \$68.96 million). As a result, Total Expenses increased by 12% or \$21.40 million to \$206.70 million. For the quarter, Total Expenses increased by 20% to \$112.39 million "due to investment in capacity building programmes to facilitate business growth."

The increased expenses resulted in Profit from Operations declining by 11% from \$102.28 million for the period in review prior year to \$90.88 million year-to-date. Finance Costs declined by 31% to \$2.33 million and once considered, Profit before Taxation has declined by 10% or \$10.37 million to \$88.55 million for the period in review.

Taxation has increased significantly by \$6.97 million or 169% to \$11.09 million. Once considered, Net Profit after Taxation amounted to \$77.46 million, an 18% decrease relative to the \$19.79 million reported in the similar period the prior financial year. For the quarter, Net Profit after Taxation has declined by 20% to \$39.57 million.

Consequently, earnings per share (EPS) amounted to \$0.16 (2015/16: \$0.20) year to date, while the twelve months trailing EPS is \$0.26. The number of shares used in this calculation was 471,266,950 shares.

\*Prices are as at June 1, 2017 \*Projections are for the forward 12 months from the most recent quarter results

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.780	93.750	129.3032	141.250	103.120	130.1443
CAN	96.500	69.530	95.3224	102.410	91.000	96.7147
GBP	168.150	122.400	165.7302	179.520	143.000	166.6826
EURO	144.100	106.500	139.4800	160.460	136.000	146.3224

\*Rates as at May 31, 2017

## MONEY MARKET

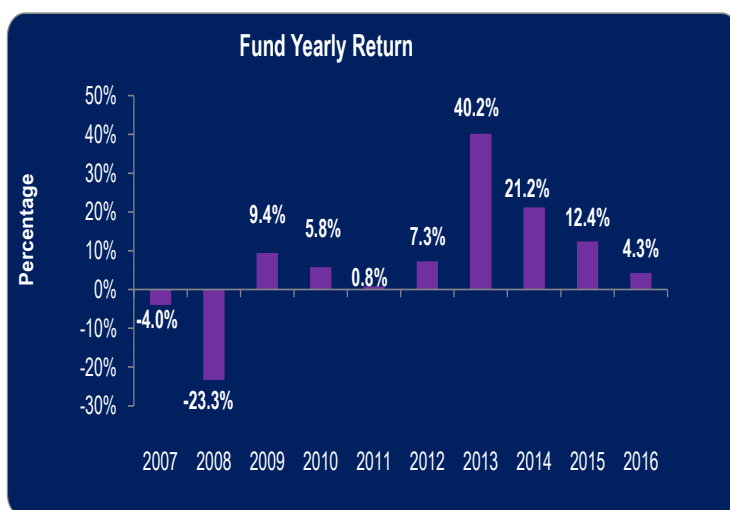
The Jamaican dollar fixed income market was illiquid in today's (June 1, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (June 1, 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 Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. The fund has a 1 year return of 26.6% and a 5 year return of 16.6% as at April 30, 2017. The Fund also has a three months return of 9.2%.



## U.S.: Trump to Withdraw U.S. From Climate Accord to Seek Better Deal

"President Donald Trump announced the U.S. would withdraw from the Paris climate pact and that he will seek to renegotiate the international agreement in a way that treats American workers better. "So we are getting out, but we will start to negotiate and we will see if we can make a deal, and if we can, that's great. And if we can't, that's fine," Trump said Thursday, citing terms that he says benefit China's economy at the expense of the U.S. Trump's announcement, delivered to cabinet members, supporters and conservative activists in the White House Rose Garden, spurns pleas from corporate executives, world leaders and even Pope Francis who warned the move imperils a global fight against climate change." In order to fulfill my solemn duty to protect America and its citizens, the United States will withdraw from the Paris climate accord, but begin negotiations to re-enter either the Paris accord or really an entirely new transaction on terms that are fair to the United States, its businesses" and its taxpayers, Trump said".

<https://www.bloomberg.com/news/articles/2017-06-01/trump-said-to-plan-withdrawal-from-landmark-paris-climate-accord>

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at May 29, 2017

	Percentage (%)
Yield to Maturity	4.60
Weighted Average Coupon	4.986
Current Yield	4.96

The platinum portfolio has an effective maturity of 13.81 years and duration of 4.35 years.

## 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)

## Europe: Euro zone manufacturing surges in May as new orders mount up

"Manufacturing across the euro zone grew at the fastest rate in more than six years during May, increasing activity as price increases failed to slow their new orders, a survey showed on Thursday. Signs the bloc's economy is enjoying a stable and broad-based recovery, alongside inflationary pressures, will be welcomed by policymakers at the European Central Bank. IHS Markit's Manufacturing Purchasing Managers' Index for the euro zone rose to 57.0 in May, up from April's 56.7 and its highest level since April 2011. The figure matched a preliminary reading. An index measuring output, which feeds into a composite PMI due next week, also climbed further above the 50 mark that separates growth from contraction. It reached 58.3, its highest in more than six years high, up from April's 57.9".

<http://www.reuters.com/article/us-eurozone-economy-pmi-idUSKBN18S474>

## 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.

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH

= POSITIVE TRANSFORMATION FOR OUR CLIENTS

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