

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	HONBUN	GK	SJ	JMMBGL	PURITY
Current Price (\$)	5.84	41.68	32.04	19.25	2.64
Trailing EPS (\$)	0.26	3.68	2.88	2.03	0.06
P/E (times)	22.52	11.33	11.12	9.47	41.98
Projected P/E	20.36	10.46	9.43	9.59	29.29
Projected EPS (\$)*	0.29	3.98	3.40	2.01	0.09
Book Value per share (\$)	1.14	43.76	15.21	15.89	2.48
Price/Book Value (times)	5.10	0.95	2.11	1.21	1.06
Dividend Yield (2016 YTD %)	2.22%	3.76%	3.83%	2.76%	N/A
Volumes	5,000	17,168	14,566	346,670	NIL
Recommendation	HOLD	HOLD	BUY	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	128.800	98.800	127.2711	148.200	120.000	128.3884
CAN	101.800	72.380	100.5269	115.800	91.000	101.4387
GBP	168.550	120.980	162.3664	170.990	158.000	166.4060
EURO	147.000	117.320	144.5069	149.160	138.650	145.6526

*Rates as at July 14, 2017

MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (July 17, 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%.

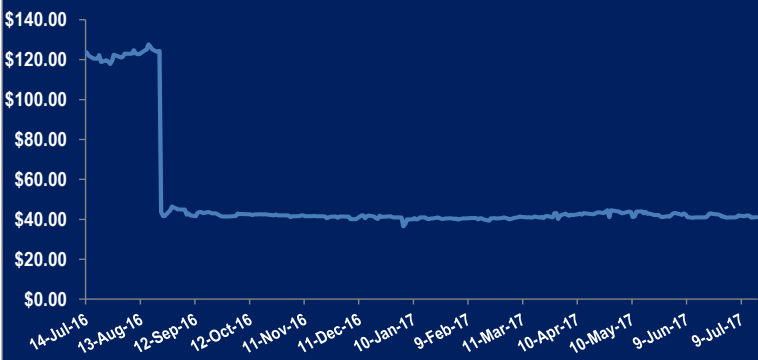
The US dollar fixed income market was also liquid during today's (July 17, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Health Sciences 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 around the world that specialize in the health care or medical industry. The fund has a 6 month return of 7.8% and a 5 year return of 16.2% as at June 30, 2017. The Fund also has a three months return of 4.5%.

GK



STOCK OF THE DAY: Grace Kennedy Limited (GK)

For the Three Months ended March 31, 2017:

Revenue totalled \$23.69 billion for period (2016: \$22.13 billion), a year over year increase of 7%. The biggest contributor to the group's overall revenue for the first quarter was income from the 'Food Trading' segment which contributed a total of \$18.82 billion (2016: \$17.82 billion), an increase of 6% relative to the prior year's corresponding period.

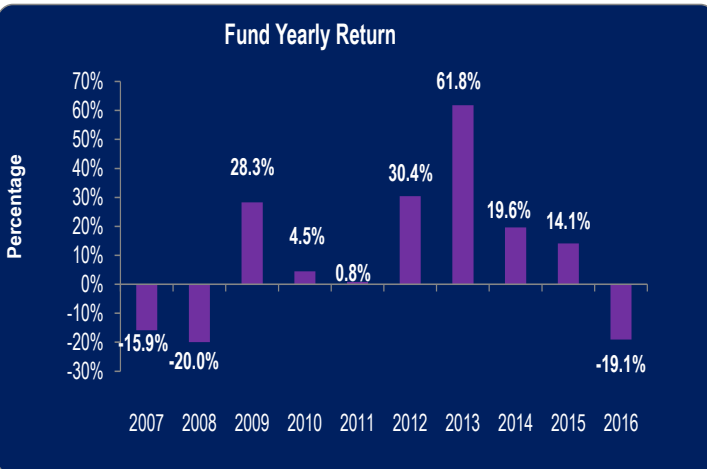
Among the other segments contributing to revenue, 'Banking & Investments' increased 13% to total \$1.54 billion. Revenue from 'Insurance' amounted to \$1.36 billion, an increase of 9%, while 'Money Services' brought in \$1.97 billion, 16% more than the \$1.69 billion reported in March 2016.

Total Expenses amounted to \$22.77 billion relative to \$21.12 billion booked for the comparable period in 2016, a 8% growth. Other Income declined 54% to total \$456.52 million (FY2016: \$991.60 million). GK indicated, "included in other income for the prior year is a gain on the disposal of investments of \$606.47 million, a significant portion of this amount related to a non-recurring gain realised on the liquidation of certain non-operating subsidiaries in 2016." As such, 'Profit from Operations' amounted to \$1.38 billion, a 31% decline year over year from \$2 billion booked in March 2016.

Interest income from non-financial services rose 5% to total \$94.44 million compared to \$89.77 million reported a year earlier. Interest expenses from non-financial services amounted to \$163.67 million versus \$182.13 million in the first quarter of 2016, a 10% reduction.

Share of results of associated companies increased by 3% amounting to \$259.20 million, compared to \$251.07 million reported for March 2016. Pre-tax profits decreased 27% to approximately \$1.57 billion, compared to pre-tax profit of \$2.16 billion documented for the first quarter of 2016. GK incurred taxation expenses amounting to approximately \$422.76 million compared to \$560.49 million in March 2016. Consequently, net profit decreased by 28% to \$1.14 billion from \$1.60 billion booked for the first three months of 2016. GK noted, "as previously reported, a non-recurring gain was realised on the liquidation of some non-operating subsidiaries for the corresponding period of 2016, without this, net profit for the current period would have been marginally lower than the corresponding period of 2016 by 2.4%"

Net Profits attributable to shareholders amounted to \$1.01 billion compared to \$1.49 billion a year earlier, showing a 32% decline. Earnings per share for first quarter amounted to \$1.01 (2016: \$1.50). The number of shares used in our calculations is 994,886,892 units.



U.S.: Stocks Flat, Metals Rise as Markets Await Earnings: Markets Wrap

“Stocks were little changed Monday as metals climbed on better-than-expected Chinese growth. The pound fell as Brexit negotiations resumed. The S&P 500 Index stalled after reaching a record on Friday. The Stoxx Europe 600 Index swung between gains to losses after a report showed stagnating consumer prices in the euro area. Iron ore, zinc and copper benefited from figures showing China’s economy expanded faster than anticipated in the second quarter. The dollar steadied after a five-day losing streak. Treasury yields slipped. With U.S. equity markets continuing to flirt with new highs, investor appetite for risk remains robust. Citigroup Inc.’s Global Risk Aversion Macro Index, which measures tolerance across a series of asset classes, is at a three-year low and in line with levels seen before the 2008 financial crisis”.

<https://www.bloomberg.com/news/articles/2017-07-16/stocks-in-asia-poised-for-gains-before-china-data-markets-wrap>

Europe: Citigroup Chooses Frankfurt as New European Trading Hub

“Citigroup Inc. has settled on Frankfurt as its newest trading hub in the European Union and plans to present that option to its board of directors this week for approval, according to a person with knowledge of the decision. The choice to expand the bank’s existing broker-dealer in the German city means it will create between 150 and 250 new roles there, said the person, who asked not to be identified talking about internal policies. It’s yet to be decided if the jobs will be filled by moving existing employees or by hiring locally, and it’s likely to be some combination, the person said. The location, where Citigroup already has about 350 employees, is expected to handle some of the trading activities currently done in London, though the U.K. capital will remain the headquarters for Europe, the Middle East and Africa, the person said. Sky News reported the decision earlier Monday”.

<https://www.bloomberg.com/news/articles/2017-07-17/citigroup-said-to-choose-frankfurt-as-new-european-trading-hub>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 017, 2017	
	Percentage (%)
Yield to Maturity	4.65
Weighted Average Coupon	4.947
Current Yield	4.94

The platinum portfolio has an effective maturity of 9.97 years and duration of 4.40 years.

STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry’s top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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

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