

## DAILY MARKET SUMMARY



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

Stock Symbol	JETCON	KREMI	JAMT	NCBFG	BRG
Current Price (\$)	4.50	6.60	4.20	73.00	14.08
Trailing EPS (\$)	0.22	0.46	0.20	7.26	1.47
P/E (times)	20.59	14.46	21.26	10.05	9.56
Projected P/E	11.59	12.55	12.51	8.01	9.49
Projected EPS (\$)*	0.39	0.53	0.34	9.11	1.48
Book Value per share (\$)	1.66	1.56	1.38	43.14	4.56
Price/Book Value (times)	2.72	4.23	3.05	1.69	3.09
Dividend Yield (2016 YTD %)	N/A	0.67%	N/A	4.80%	3.57%
Volumes	12,961	NIL	9,700	24,371	3,842
Recommendation	BUY	BUY	BUY	HOLD	BUY

### FOREIGN EXCHANGE MARKET TRADING SUMMARY

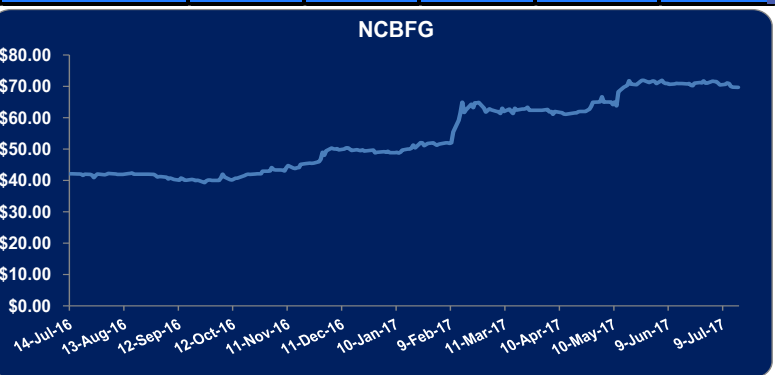
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	128.750	98.800	127.2796	148.200	100.030	128.2231
CAN	102.600	72.980	100.5308	116.760	95.480	101.5505
GBP	166.200	121.880	164.6517	195.000	160.000	165.8869
EURO	149.295	106.650	139.1143	170.640	142.200	148.9081

\*Rates as at July 17, 2017

### MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (July 18, 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 18, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.



### STOCK OF THE DAY: NCB Financial Group (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).

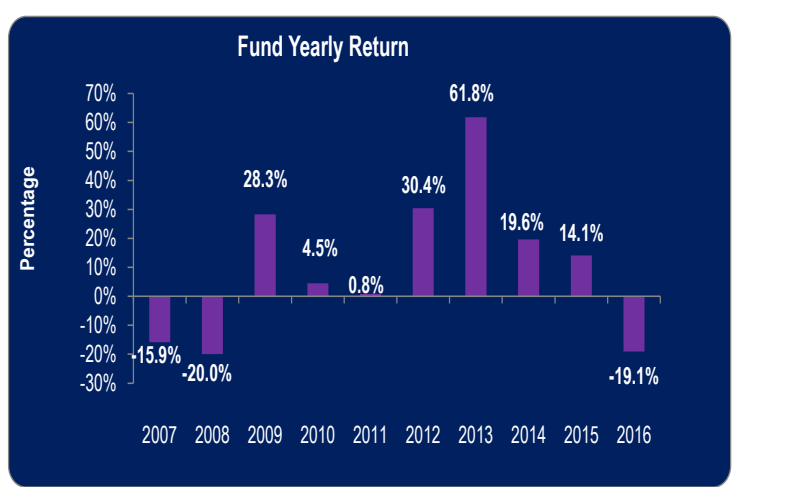
Provision for credit losses fell 53.48% to \$347.35 million (2016: \$746.74 million) while depreciation and amortization grew by 24.77% to \$1.10 billion (2016: \$884.13 billion). Policyholders' and annuitants' benefits and reserves decreased by 39.25% to \$1.59 billion relative to \$2.62 billion for the prior year's corresponding period. 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. The bank noted this was, "mainly as a result of the Group accounting for its share of six months profit for the 29.99% shareholding in Guardian Holdings Limited." 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.

\*Prices are as at July 18, 2017 \*Projections are for the forward 12 months from the most recent quarter results

### 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%.



**U.S.: Americans want U.S. goods, but not willing to pay more: Reuters/Ipsos poll**

HARRISBURG, Pa. (Reuters) - Americans say they love U.S.-made goods. They are less enthusiastic, however, about paying a premium for them. At the AMES Companies Inc factory here, the wheelbarrows coming off the assembly line once every six seconds cost the company more to make in the United States than abroad, but U.S. retailers generally will not charge more for them because consumers would balk, AMES President Mark Traylor said. Nearly all U.S. manufacturers face the same squeeze. A Reuters/Ipsos poll released on Tuesday found 70 percent of Americans think it is "very important" or "somewhat important" to buy U.S.-made products. Despite that sentiment, 37 percent said they would refuse to pay more for U.S.-made goods versus imports. Twenty six percent said they would only pay up to 5 percent more to buy American, and 21 percent capped the premium at 10 percent.

<http://www.reuters.com/article/us-usa-buyamerican-poll-idUSKBN1A3210>

**Europe: UK inflation surprises with slowdown, easing pressure on Bank of England**

"LONDON (Reuters) - British inflation unexpectedly slowed last month for the first time since October, dousing expectations among investors that the Bank of England might soon raise interest rates for the first time in a decade. Consumer prices rose by 2.6 percent compared with a year earlier, the Office for National Statistics said, down from a nearly four-year high of 2.9 percent in May. Economists had expected the rate to remain unchanged and some of them trimmed their forecasts for price growth to just below 3 percent in 2017 as a whole after Tuesday's figures. But BoE Governor Mark Carney said the "big picture" for inflation remained the same and the main driver was still the fall in sterling since last year's Brexit vote. "That's what's pushing inflation up, and inflation will be above target for a period of time and today's figures are consistent with that," he told Sky News".

<http://www.reuters.com/article/us-britain-inflation-idUSKBN1A31YK>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at July 17, 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 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.

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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)

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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS

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