

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	PURITY	JMMBGL	KREMI	JETCON	SJ
Current Price (\$)	2.62	19.08	5.01	4.54	31.96
Trailing EPS (\$)	0.06	2.03	0.46	0.22	2.88
P/E (times)	41.66	9.39	10.98	20.78	11.09
Projected P/E	29.06	9.50	9.52	11.69	9.41
Projected EPS (\$)*	0.09	2.01	0.53	0.39	3.40
Book Value per share (\$)	2.48	15.89	1.56	1.66	15.21
Price/Book Value (times)	1.05	1.20	3.21	2.74	2.10
Dividend Yield (2016 YTD %)	N/A	2.76%	0.67%	N/A	3.83%
Volumes	NIL	9,435	35,000	635,488	6,200
Recommendation	HOLD	HOLD	BUY	BUY	BUY

FOREIGN EXCHANGE MARKET TRADING SUMMARY

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.600	98.720	127.2072	148.080	123.400	128.3263
CAN	102.650	73.580	101.4177	117.720	98.000	103.1439
GBP	167.400	121.730	162.9787	194.760	143.000	167.8278
EURO	147.000	107.250	142.4994	164.450	142.500	149.0555

*Rates as at July 20, 2017

MONEY MARKET

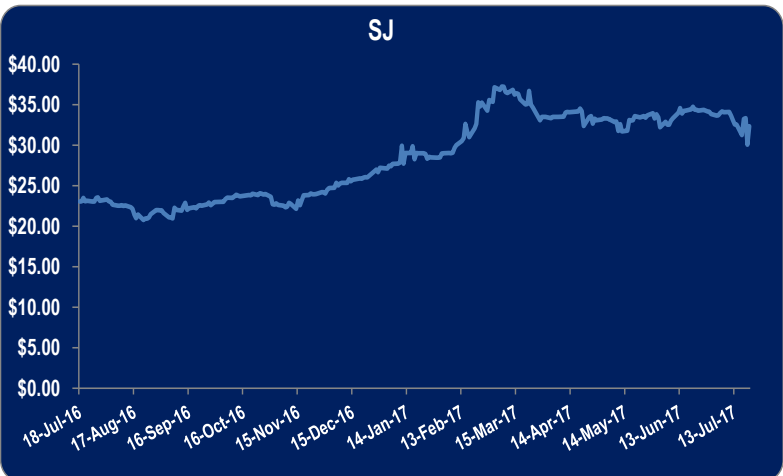
The Jamaican dollar fixed income market was illiquid in today's (July 21, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (July 21, 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 International Value 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 whose primary operations are outside of North America. The fund has a 6 month return of 10.7% and a 5 year return of 12.8% as at June 30, 2017. The Fund also has a three months return of 4.6%.



STOCK OF THE DAY: Sagcor Group Jamaica Limited (SJ)

For the three months ended March 31, 2017

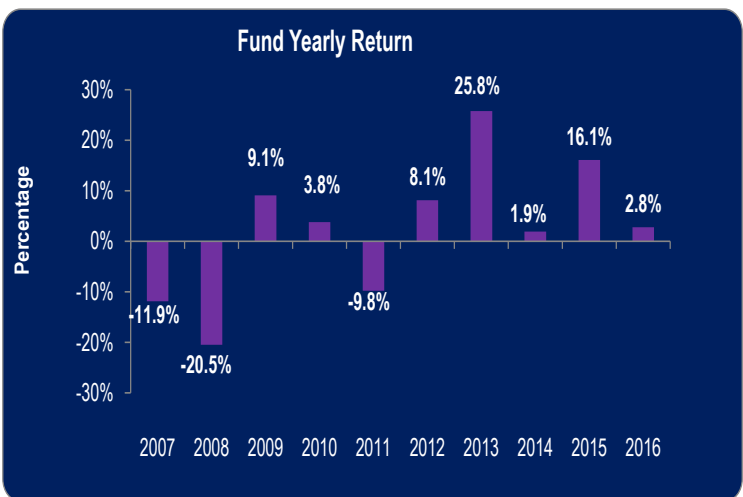
Total revenues increased by 11% to \$15.26 billion from \$13.71 billion in 2016, and was broken down as follows:

Net investment income increased to \$4.72 billion from \$4.5 billion in 2016. Fees and other revenue increased 34% to \$2.01 billion (2016:\$1.51 billion). Net premium revenue increased by 11% to a total of \$8.53 billion from \$7.71 billion in 2016. Benefits and expenses totaled \$12.49 billion for the period, increasing year over year by 10% from \$11.4 billion.

This increase was mainly driven by; An 8% increase in net insurance benefits incurred to \$5.45 billion (2016:\$5.02 billion). Administration expenses for the period amounted to \$4.76 billion compared to \$3.22 billion in the prior year, a 48% increase. According to the company "this large increase is mainly influenced by business expansion - in particular the Cards and Payments business; compensation cost for annual increases and bonuses to Team members some of which will not repeat later in the year; and higher provisions for loan losses." Commission and related expenses grew by 29% to close at \$1.28 billion up from the \$998.73 million posted in 2016.

Share of profit from joint venture amounted to \$8.78 million relative to loss of \$624,000 thousand a year prior. While share of profit from associate totaled \$158.13 million relative to nil the prior year.

Profit before Taxation amounted to \$2.92 billion, a 17% gain when compared to the \$2.49 billion booked in 2016. After investment and corporation taxes of \$326.51 million (2016:\$589.36 million), net profit attributable to shareholders amounted to \$2.59 billion (2016:\$1.90 billion), an increase of 36%. As a result, EPS for the quarter amounted to \$0.66 (2016:\$0.49) while the twelve month trailing EPS totaled \$ 3.06.



*Prices are as at July 21, 2017 *Projections are for the forward 12 months from the most recent quarter results

U.S.: Trump Hires Scaramucci as Communications Director, Spicer Resigns

“White House Press Secretary Sean Spicer resigned on Friday after President Donald Trump hired financier Anthony Scaramucci as his communications director, capping days of tumult as Trump shifted his legal and public relations strategy. “It’s been an honor & a privilege to serve” Trump, Spicer said in a statement posted on Twitter. “I will continue my service through August.” Scaramucci, 53, was a campaign fundraiser for Trump and regular adviser during the presidential transition. He’s been mentioned for multiple jobs in the administration, most recently as ambassador to the Paris-based Organisation for Economic Co-operation and Development. He’s also been considered as head of the White House Office of Public Engagement. One person familiar with the changes said that Trump offered Scaramucci the communications job out of a sense of loyalty to his surrogate, whom he calls “the Italian kid.””

<https://www.bloomberg.com/news/articles/2017-07-21/scaramucci-said-to-join-white-house-as-spicer-reported-to-resign>

U.K. to Consider Full Transition Phase for Softer Brexit

Theresa May’s U.K. government is drawing up plans to extend the timetable for negotiating and completing the Brexit process, which could see a long transition period lasting until 2022, according to an official familiar with the matter. While she failed to win the bigger majority she’d hoped for, the prime minister’s decision to call a snap vote last month bought her more time at the end of the exit negotiations in 2019 by pushing back the next scheduled election from 2020 to 2022. Key ministers including Chancellor of the Exchequer Philip Hammond and Brexit Secretary David Davis have persuaded her to use this breathing space before the heat of a new domestic political campaign begins to ensure the U.K. has a soft landing as it departs from the EU, the person said, speaking anonymously because the plans aren’t public.

<https://www.bloomberg.com/news/articles/2017-07-21/u-k-said-to-consider-full-transition-phase-for-softer-brexit>

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 Platinum

The Mayberry Platinum 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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