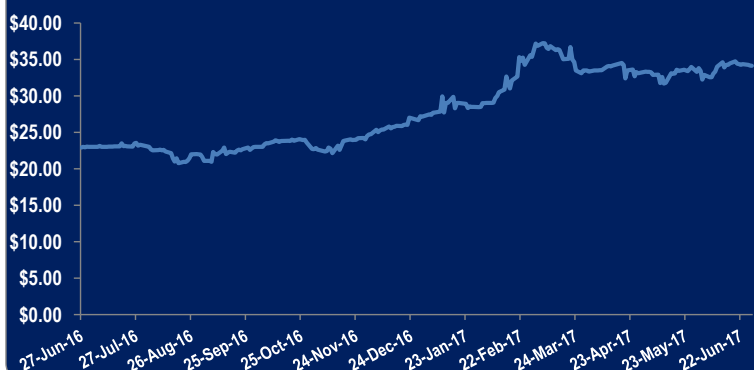


DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	PURITY	JETCON	SJ	HONBUN	GK
Current Price (\$)	2.63	5.44	32.55	5.65	41.79
Trailing EPS (\$)	0.06	0.22	2.88	0.26	3.68
P/E (times)	41.82	24.89	11.29	21.78	11.36
Projected P/E	29.18	14.01	9.58	19.70	10.49
Projected EPS (\$)*	0.09	0.39	3.40	0.29	3.98
Book Value per share (\$)	2.48	1.66	15.21	1.14	43.76
Price/Book Value (times)	1.06	3.29	2.14	4.94	0.95
Dividend Yield (2016 YTD %)	N/A	N/A	3.83%	2.22%	3.76%
Volumes	Nil	349,980	19,778	Nil	25,931
Recommendation	SELL	BUY	BUY	HOLD	HOLD

SJ



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.

FOREIGN EXCHANGE MARKET TRADING SUMMARY

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.100	93.000	127.6384	148.800	100.910	128.6228
CAN	99.550	71.250	99.0438	114.000	91.000	99.3865
GBP	167.830	129.600	163.2290	177.000	158.000	166.5811
EURO	144.000	106.500	141.3376	149.000	135.000	147.9419

*Rates as at June 30, 2017

MONEY MARKET

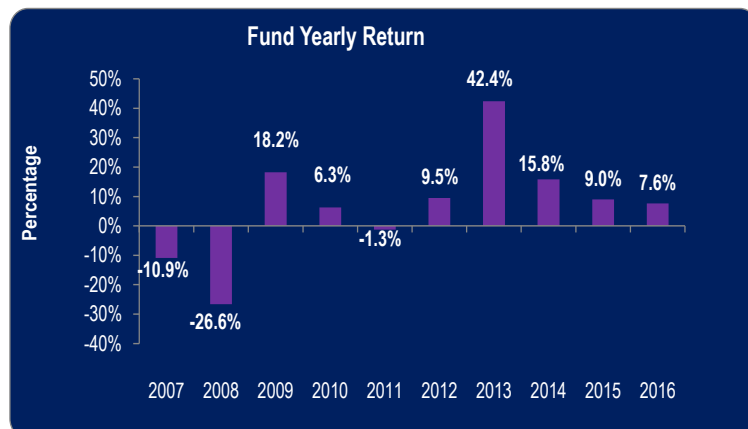
The Jamaican dollar fixed income market was illiquid in today's (July 3, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (July 3, 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 American Managers 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 believed to have good growth potential. These companies are located in countries that have signed the North American Free Trade Agreement (NAFTA), or its successor. The fund has a 6 month return of 7% and a 5 year return of 16.4% as at May 31, 2017. The Fund also has a three months return of 2.2%.



U.S.: Illinois Rushes to Enact Budget to Avoid Junk Rating

“Illinois lawmakers are racing to push through legislation to end a record-long budget impasse and avoid becoming the only U.S. state with a junk credit rating. Lawmakers are in session Monday after the Democrat-run House of Representatives approved an income-tax increase with 15 Republican votes on Sunday, signaling bipartisan will to end the stalemate even though Governor Bruce Rauner vowed to veto it if the measure clears the Senate. The House also sent a \$36 billion spending plan to the Senate amid concern that credit-rating companies will pull Illinois’s investment-grade rating if a budget isn’t enacted. S&P Global Ratings called the weekend developments a “crucial step” toward ending the stalemate. “It’s been a political crisis, an unprecedented stalemate for over two years now and yesterday’s action was really the first break in that stalemate,” John Miller, co-head of fixed income at Nuveen Asset Management, said in an interview on Bloomberg Television”.

<https://www.bloomberg.com/news/articles/2017-07-03/illinois-scrambles-to-enact-budget-as-junk-rating-threat-looms>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 3, 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.

DISCLAIMER

Analyst Certification -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

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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

Europe: What Angela Merkel’s Election Platform Means for Europe

“Chancellor Angela Merkel presented her campaign platform on Monday, pledging to keep Germany a reliable partner in an unsettling world, hold the euro area to its fiscal pact and deliver a 15 billion-euro (\$17 billion) tax cut mostly for mid-level incomes. Three months before Germans go to the polls, the proposals by Merkel’s Christian Democratic Union and her Bavarian CSU allies reflect an if-it-ain’t-broke-don’t-fix-it approach to an economy that’s seeing steady growth and record-low unemployment, according to Holger Schmieding, chief economist at Berenberg. Some of the top themes: It’s short on details, calling for Germany to stay highly competitive and vowing to “protect ourselves against unfair trade practices” while championing free trade. Headline pledges include halving unemployment to less than 3 percent by 2025, four years beyond Merkel’s next term if she wins it on Sept. 24”.

<https://www.bloomberg.com/news/articles/2017-07-03/what-angela-merkel-s-election-platform-means-for-europe>

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.