

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS) +

Stock Symbol	JAMT	NCBFG	SGJ	TTECH	BRG
Current Price (\$)	4.10	69.58	43.19	9.25	16.75
Trailing EPS (\$)	0.20	7.26	3.96	0.35	1.47
P/E (times)	20.76	9.58	10.90	26.40	11.38
Projected P/E	12.22	7.64	10.17	21.98	11.28
Projected EPS (\$)*	0.34	9.11	4.25	0.42	1.48
Book Value per share (\$)	1.38	43.14	30.54	1.59	4.56
Price/Book Value (times)	2.98	1.61	1.41	5.82	3.67
Dividend Yield (2016 YTD %)	N/A	4.80%	4.57%	0.71%	3.57%
Volumes	114,265	23,981	104,910	3,000	2,094
Recommendation	BUY	HOLD	HOLD	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY

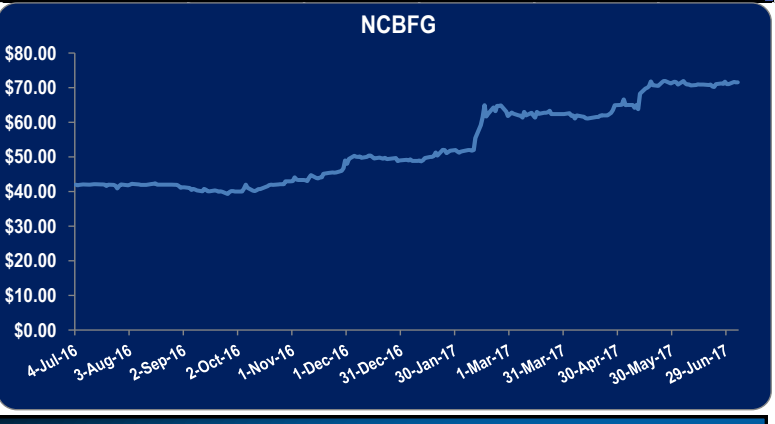
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.100	92.780	127.8082	148.440	123.500	128.4364
CAN	99.400	70.880	99.0232	113.400	91.000	99.3742
GBP	167.830	121.130	164.7082	183.060	158.000	165.9364
EURO	143.500	105.750	140.9995	169.200	141.500	147.5838

*Rates as at July 5, 2017

MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (July 6, 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 6, 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: National Commercial Bank of Jamaica Limited (NCBJ)

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).

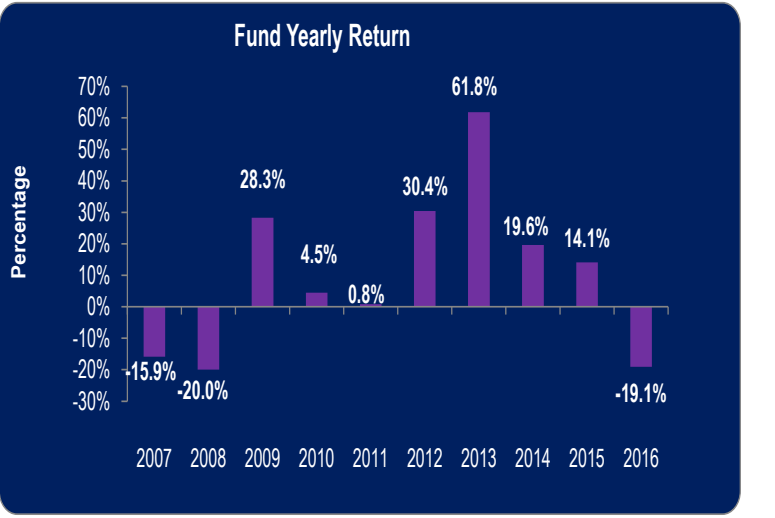
Other Operating Income climbed by 84.86% to \$97.66 million (2016: \$52.83 million). Consequently, total operating income increased 15.07% to a total of \$29.17 billion (2016: \$25.35 billion). Total operating income for the second quarter recorded a 16.88% growth to \$14.95 billion (2016: \$12.79 billion). 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. 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.

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 6.1% and a 5 year return of 17.6% as at May 31, 2017. The Fund also has a three months return of 1.2%.



*Prices are as at July 06, 2017 *Projections are for the forward 12 months from the most recent quarter results

U.S.: U.S. private payrolls growth slows; jobless claims rise

“U.S. private employers hired fewer workers than expected in June and applications for unemployment benefits last week increased for a third straight week, pointing to some loss of momentum in job growth as the labor market nears full employment. Those signs were also evident in another report on Thursday showing growth in services industry employment slowing in June even as the sector, which accounts for more than two-thirds of the U.S. economy, continued to expand at a healthy clip. The moderation in job gains likely reflects difficulties by employers finding suitable workers amid an unemployment rate that is at a 16-year low. Even so, the labor market remains strong and tightening conditions could allow the Federal Reserve to raise interest rates again later this year. “The slowdown in hiring, in our view, is a function of the difficulty in hiring workers,” said John Ryding, chief economist at RDQ Economics in New York”.

<http://www.reuters.com/article/us-usa-economy-idUSKBN19R1U6>

Europe: France to end sale of diesel and gasoline vehicles by 2040

“France aims to end the sale of gasoline and diesel vehicles by 2040 and become carbon neutral 10 years later, Ecology Minister Nicolas Hulot said on Thursday at a presentation of measures to keep up momentum on the Paris climate agreement. French President Emmanuel Macron wants to press ahead with implementing the pact to fight climate change after U.S President Donald Trump pulled out of the landmark deal reached in the French capital in 2015. Hulot presented an array of measures under six themes and 23 policy proposals, but most were short of specific details on how exactly the objectives would be achieved. “One of the symbolic acts of the plan is that France, which previously had made the promise to divide its greenhouse gas emissions by four by 2050, has decided to become carbon neutral by 2050 following the U.S. decision,” Hulot said”.

<http://www.reuters.com/article/us-climatechange-france-idUSKBN19R0VZ>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 03, 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

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