

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	MDS	JETCON	PURITY	KREMI	TTECH
Current Price (\$)	5.19	5.24	2.50	6.28	7.35
Trailing EPS (\$)	0.38	0.25	0.06	0.52	0.33
P/E (times)	13.63	20.81	39.75	12.07	22.38
Projected P/E	14.43	17.05	27.73	11.94	30.55
Projected EPS (\$)*	0.36	0.31	0.09	0.53	0.24
Book Value per share (\$)	2.20	0.62	2.48	1.56	1.65
Price/Book Value (times)	2.36	8.48	1.01	4.02	4.44
Dividend Yield (2016 YTD %)	2.21%	N/A	N/A	0.67%	N/A
Volumes	200,000	176,320	1,627	24,346	6,000
Recommendation	HOLD	BUY	HOLD	BUY	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	129.800	98.400	127.2166	147.600	102.350	128.2310
CAN	103.000	73.280	99.0266	112.350	95.000	100.8221
GBP	168.500	121.500	162.7413	194.400	159.300	165.5984
EURO	151.000	108.900	148.3573	174.240	145.200	151.8016

\*Rates as at August 14, 2017

### MONEY MARKET

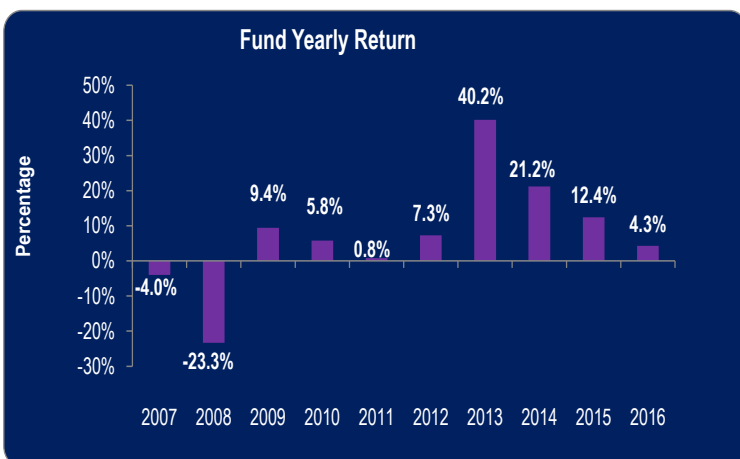
The Jamaican dollar fixed income market was illiquid in today's (August 15, 2017) trading session. The overnight rates were quoted around 4.00% to 4.50% while the 30-day rates were between 5.5% to 5.9%.

The US dollar fixed income market was also liquid during today's (August 15, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

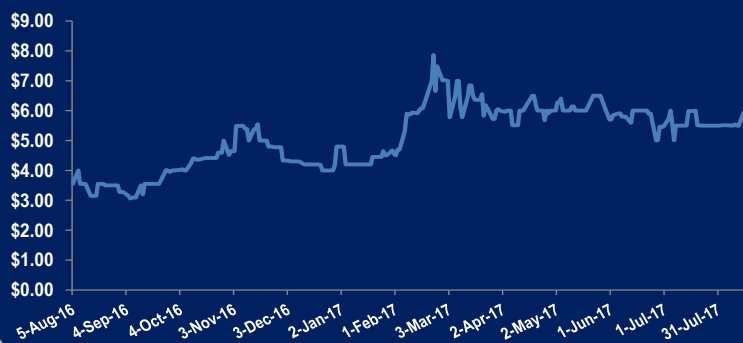
### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI American Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. The fund has a 6 month return of 2.4% and a 5 year return of 15.5% as at June 30, 2017. The Fund also has a three year return of 11.0%.



MDS



### STOCK OF THE DAY: Medical Disposables & Supplies Limited (MDS)

Medical Disposables & Supplies Limited (MDS) for the three months ended June 30, 2017: recorded revenues of \$480.59 million, an increase of 13% compared to the \$425.36 million booked in 2016. The increase was due to the, "Company's strategic plan to increase its market share, through increased product offerings and the widening of the customer base in all categories of the Company's business operations." Cost of Sales increased \$51.94 million to total \$378.09 million relative to \$326.15 million in 2016, a 16% increase. As a result, Gross Profit grew by 3% or \$3.30 million to total \$102.50 million in 2017 compared to \$99.21 million in 2016. MDS noted, "this improvement resulted from increased sales arising from the introduction of new business lines."

Total Operating Cost rose 16% to close at \$81.03 million (2016: \$69.87 million). MDS indicated the increase was due mainly to, "staff related expenses, depreciation and amortization, insurance, utilities, and security expenses. Staff related expenses, in particular, increased because of the strategic decision to realign the staff complement and compensation to sustain the current growth, development and expansion of the business." Of total operating costs, Selling and Promotional costs rose by 29% to \$33.01 million relative to \$25.63 million in 2016. Administrative Expenses increased by 10% to close the period at \$41.42 million (2016: \$37.76 million). Other Operating Expenses rose by 7% to close the year at \$689,248 (2016: \$646,265), while Depreciation increased by 1% to close the quarter at \$5.91 million (2016: \$5.84 million).

Operating Profit closed at \$22.56 million relative to \$30.38 million in 2016 this represents a 26% decrease. The company reported Finance Income of \$4,675 for the period, this compares with the \$71,881 million booked for the corresponding period in 2016.

Finance Cost for the quarter amounted to \$8.05 million relative to the \$9 million reported in 2016.

MDS reported Foreign Exchange Gains of \$1.18 million relative to a loss of \$3.60 million in 2016.

Pre-tax profit totalled \$15.70 million, down from the \$17.85 million booked in 2016, a 12% decrease. After taxation of \$30,000, Profit after Tax declined 12% amounting to \$15.67 million compared to \$17.82 million in 2016. The decline according to the company was attributed to the, "Pharmaceutical division which experienced out of stock situations from major drug houses and above average seasonal market activities."

Earnings per share for the first quarter amounted \$0.06 (2016: \$0.07), the trailing earnings per share amounted to \$0.38. The number of shares used in the calculation was 263,157,895.

**U.S.: Trump hits back at CEOs over response to Virginia violence**

“WASHINGTON/CHARLOTTESVILLE, Va. (Reuters) - U.S. President Donald Trump hit back on Tuesday at business leaders who quit a presidential advisory panel in protest over his response to a rally by far-right groups that turned deadly in Virginia, calling the executives "grandstanders." Trump has faced a storm of criticism from Democrats and members of his own Republican party over his initial response to Saturday's violence around the rally in the Southern college town of Charlottesville. Three business leaders quit a Trump panel in protest on Monday and on Tuesday, Scott Paul, president of the Alliance for American Manufacturing, said on Twitter he was also resigning "because it is the right thing for me to do." Trump bowed on Monday to two days of pressure for a more forceful response, singling out groups behind the "Unite the Right" rally that were widely seen as stoking the disturbances. But he was still clearly frustrated over the reaction to his response”.

<http://www.reuters.com/article/us-virginia-protests-idUSKCN1AV0WT?il=0>

**Europe: Air Berlin files for insolvency after Etihad withdraws support**

“BERLIN (Reuters) - Air Berlin (AB1.DE), Germany's second-largest airline, filed for bankruptcy protection on Tuesday after key shareholder Etihad Airways withdrew funding following years of losses, leaving valuable runway slots up for grabs. The move offers Lufthansa (LHAG.DE) and rivals a chance to acquire slots at airports such as Berlin Tegel and Duesseldorf, with Germany's largest airline keen to defend its domestic position against expansion by low-cost rival Ryanair (RYA.I). Lufthansa confirmed it was in talks to take over parts of the business, while a source said easyJet (EZJ.L) was the second airline referred to by the government as being in talks with Air Berlin. The British budget carrier declined to comment. The insolvency comes with thousands of Germans enjoying summer holidays, and just ahead of a September general election. The German government has granted a bridging loan of 150 million euros (\$176 million) to allow Air Berlin to keep its planes in the air for three months and secure the jobs of its 7,200 workers in Germany while negotiations continue”.

<http://www.reuters.com/article/us-air-berlin-lufthansa-idUSKCN1AV14E>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at August 14, 2017	
	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.018
Current Yield	4.96

The platinum portfolio has an effective maturity of 13.66 years and duration of 4.36 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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

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