

DAILY MARKET SUMMARY



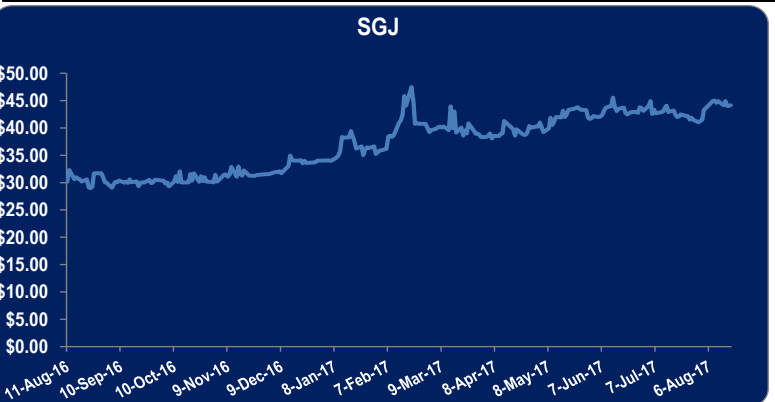
LOCAL STOCK MARKET: (JS) +

Stock Symbol	SGJ	NCBFG	JETCON	HONBUN	MDS
Current Price (\$)	45.60	89.29	5.49	4.73	5.20
Trailing EPS (\$)	3.96	7.80	0.25	0.19	0.38
P/E (times)	11.51	11.45	21.80	24.37	13.65
Projected P/E	10.73	9.05	17.86	21.16	14.45
Projected EPS (\$)*	4.25	9.87	0.31	0.22	0.36
Book Value per share (\$)	30.54	43.14	0.62	1.14	2.20
Price/Book Value (times)	1.49	2.07	8.88	4.15	2.36
Dividend Yield (2016 YTD %)	4.57%	4.80%	N/A	2.22%	2.21%
Volumes	130,119	54,845	95,850	5,904	NIL
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	129.150	98.400	127.1135	147.600	102.350	128.5026
CAN	102.800	73.500	101.7107	117.600	98.500	102.5043
GBP	167.000	120.380	161.5203	184.580	161.000	166.1573
EURO	148.900	109.130	145.9085	174.600	147.250	149.5043

*Rates as at August 18, 2017



STOCK OF THE DAY: Scotia Group Jamaica Limited (SGJ)

For the six months ended April 30, 2017

SGJ recorded an improvement in Net Interest Income to \$13.17 billion, moving from \$12.40 billion for the corresponding period in 2016, while Interest Expenses declined by 13% to total \$2.23 billion (2016: \$2.56 billion). Interest Income for the six months increase 3% to close at \$15.40 billion relative to \$14.96 billion. Within the second quarter, the bank posted a 6% improvement in Net Interest Income to \$6.54 billion (2016: \$6.17 billion), stemming from a 3% growth Interest Income to \$7.63 billion (2016: \$7.42 billion) and a 13% decline in Interest Expense to \$1.09 billion (2016: \$1.26 billion).

Impairment Losses of Loans rose 60% to \$975.47 million compared to \$608.59 million for the comparable period in 2016. As such, Net Interest Income after Impairment losses on loans grew 3% to \$12.19 billion relative to the \$11.79 billion recorded for the corresponding period in 2016. Total Other Revenue increased by 16% to \$7.49 billion (2016: \$6.46 billion).

Net Fees and Commission Income amounted to \$4.42 billion (2016: \$3.62 billion), an increase of 22% relative to the corresponding period in 2016. Insurance Revenue climbed by 30% to closed the period at \$1.70 billion relative to \$1.30 billion last year. Net Foreign Exchange Trading Income declined by 24% and amounted to \$1.10 billion (2016: \$1.44 billion). Net Gains on Financial Assets improved to \$219.41 million relative to a \$90.04 million. Other revenue grew from \$16.21 million in the first six months of 2016 to \$56.08 million, a surge of 246%.

As such, Total Operating Income for the first six months increased 8% to total \$19.68 billion versus \$18.25 billion for the corresponding period in 2016. SGJ's Total Operating Income for the second quarter improved 6%, moving from \$9.45 billion in 2016 to \$10.05 billion for the quarter ended April 30, 2017. Total Operating Expenses quarter over quarter reflected a 1% reduction from \$5.24 billion in 2016 to \$5.16 billion. Total Operating Expenses for the six months amounted to \$11.12 billion, a 3% growth from the \$10.82 billion booked for the corresponding period in the prior financial year.

Profit before Taxation totaled \$8.57 billion, this represents an increase of 15% from the \$7.43 billion recorded in 2016. Tax charges for the period totaled \$2.88 billion (2016: \$2.46 billion), as such Net Profit for the period totaled \$5.69 billion, 14% more than the \$4.98 billion posted for the same period in 2016. For the quarter, Net Profit outperformed last year's second quarter results by 16% to close at \$3.48 billion (2016: \$3.01 billion). Profit Attributable to Shareholders amounted to \$5.60 billion, 15% more than the total of \$4.88 billion a year earlier.

Earnings per share (EPS) for six months totaled \$1.80 (2016: \$1.57), while the EPS for the quarter amounted to \$1.10 (2016: \$0.95). The trailing earnings per share now totals to \$3.96. The total number of shares employed in our calculations amounted to 3,111,572,984 units.

MONEY MARKET

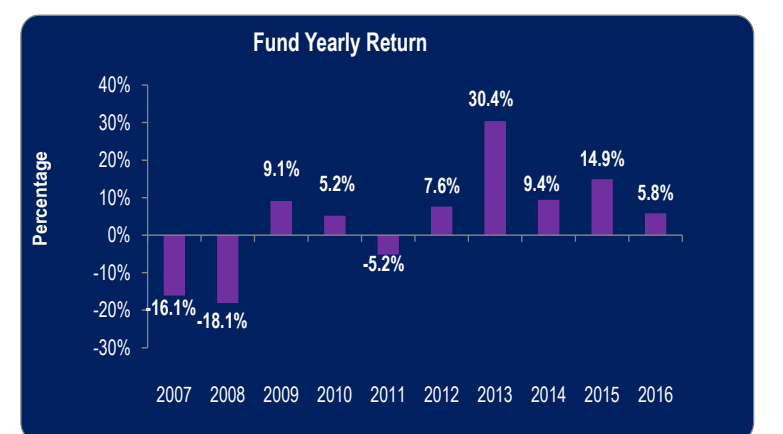
The Jamaican dollar fixed income market was illiquid in today's (August 21, 2017) trading session. The overnight rates were quoted around 3.50% to 4.25% while the 30-day rates were between 5.5% to 5.85%.

The US dollar fixed income market was also liquid during today's (August 21, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.3% to 1.6%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund has a 6 month return of 6.1% and a 5 year return of 13.7% as at July 31, 2017. The Fund also has a three year return of 10.3%.



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

U.S.: McConnell and Mnuchin Predict Congress Will Raise the Debt Ceiling

Europe: Britain confident of moving onto second phase of Brexit talks

“U.S. Treasury Secretary Steven Mnuchin and Senate Majority Leader Mitch McConnell predicted Congress will raise the country’s debt limit in time to prevent an unprecedented default. “We’re going to get the debt ceiling passed,” Mnuchin said Monday at an event in Louisville, Kentucky, downplaying the idea that the Treasury’s debt-ceiling deadline could pass without action and said payments can’t be prioritized without disruption. “Everybody understands, this is not a Republican issue, this is not a Democrat issue. We need to be able to pay our debts.” Speaking at the same event, McConnell went further, saying there is “zero chance -- no chance -- we won’t raise the debt ceiling. No chance.” “America is not going to default, and we’ll get the job done in conjunction with the secretary of the Treasury,” the Kentucky Republican said. Mnuchin reiterated that he will run out of authority to stay under the limit late next month and his priority when Congress returns in early September is ensuring it’s lifted.”

“LONDON (Reuters) - Britain is confident its Brexit talks with the European Union are making sufficient progress to move to a second phase in the negotiations to discuss its future partnership by October, a spokeswoman for Prime Minister Theresa May said on Monday. She also told reporters the government was considering a "number of precedents" in its proposals on how to resolve any future disputes after Britain leaves the jurisdiction of the European Court of Justice in March 2019. "We are confident that we will have made sufficient progress by October to be able to advance talks to the next phase," she said. "That's our aim and we are confident that we are working at pace and will be able to get to that point ... The prime minister's view is that both sides need to demonstrate a dynamic and flexible approach to each round of the negotiations.”

<http://www.reuters.com/article/us-britain-eu-pm-idUSKCN1B113C>

<https://www.bloomberg.com/news/articles/2017-08-21/mcconnell-promises-debt-limit-hike-as-mnuchin-urges-quick-action>

PLATINUM PORTFOLIO

STRUCTURED PRODUCT

Platinum Portfolio Yield Measures as at August 21, 2017	
	Percentage (%)
Yield to Maturity	4.64
Weighted Average Coupon	5.018
Current Yield	4.96

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.

The platinum portfolio has an effective maturity of 13.66 years and duration of 4.36 years.

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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

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH
 = POSITIVE TRANSFORMATION FOR OUR CLIENTS
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

...BULLISH ON JAMAICA

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