

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	CFE	JMMBGL	BRG	HONBUN	JETCON
Current Price (\$)	11.71	21.29	11.47	4.71	4.56
Trailing EPS (\$)	0.81	2.05	1.48	0.19	0.25
P/E (times)	14.52	10.40	7.74	24.27	18.11
Projected P/E	9.97	9.54	8.18	21.07	14.84
Projected EPS (\$)*	1.17	2.23	1.40	0.22	0.31
Book Value per share (\$)	3.58	16.44	4.67	1.14	0.62
Price/Book Value (times)	3.27	1.30	2.46	4.13	7.38
Dividend Yield (2016 YTD %)	0.83%	2.76%	3.57%	2.22%	N/A
Volumes	NIL	11,653	30,378	14,470	17,858
Recommendation	HOLD	BUY	BUY	SELL	BUY

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.100	98.400	128.8700	147.600	120.200	129.6500
CAN	122.000	73.500	103.1700	117.600	97.000	103.7700
GBP	168.400	121.130	163.4100	194.160	160.000	165.7200
EURO	150.950	114.310	146.1300	178.800	144.600	153.5500

*Rates as at August 31, 2017

MONEY MARKET

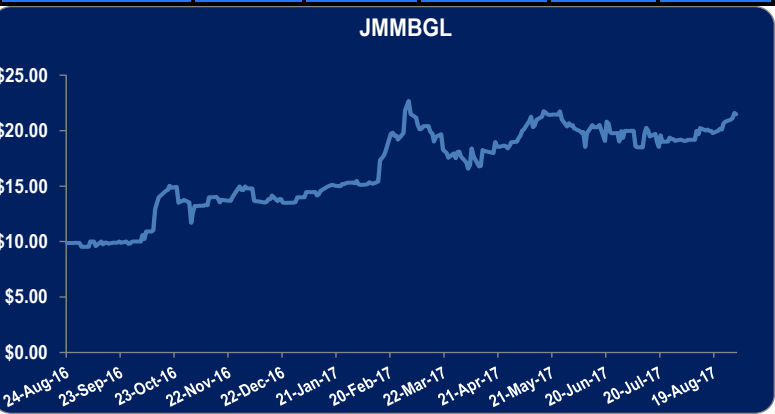
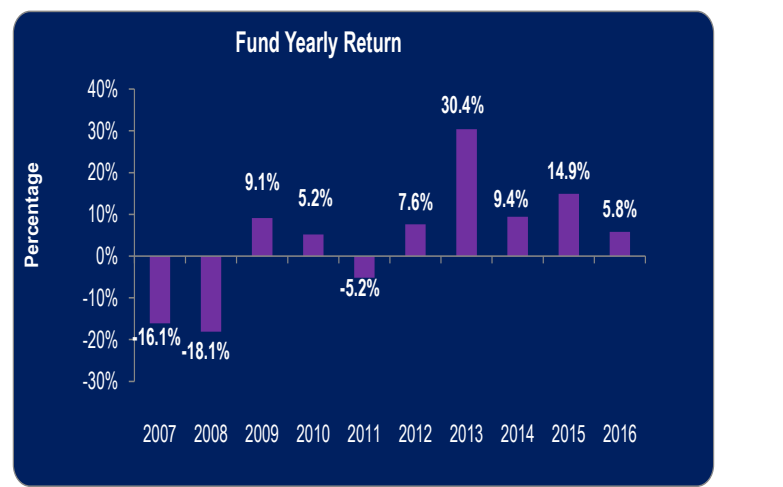
The Jamaican dollar fixed income market was illiquid in today's (September 1, 2017) trading session. The overnight rates were quoted around 3.50% to 4.25% while the 30-day rates were between 5.5% to 5.85%.

The US dollar fixed income market was also liquid during today's (September 1, 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 1 year return of 8.6% and a 5 year return of 13.7% as at July 31, 2017. The Fund also has a three year return of 10.3%.



STOCK OF THE DAY: JMMB Group Limited (JMMBGL)

For the three months ended June 30, 2017

JMMBGL booked net interest income of \$1.91 billion compared to \$1.55 billion in 2016, an increase of 24%. This as interest income grew by 9% to close at \$3.96 billion, from the \$3.62 billion booked in 2016, while interest expenses fell 1% to total \$2.04 billion relative to \$2.07 billion in the prior year.

Fees and commission income amounted to \$363.83 million, an improvement of 22% on the \$297.72 million last year's comparable period. The improvement was due to, "significant growth in managed funds and collective investment schemes across the Group which contributed to the growth in fees and commission income," according to the company. Foreign exchange margins from cambio trading posted a decrease of 46% year over year to close at \$237.54 million (2016: \$442.84 million), while net gains from securities trading showed an increase of 36% totaling \$1.54 billion (2016: \$1.13 billion). Management highlighted, "the portfolio trading strategies were very profitable and were supported by the maturities of GOJ debts, redemption of BOJ CDs as well as higher external demands for GOJ global bonds due to lower treasury yields in the US." As such, net operating revenue amounted to \$4.05 billion compared to \$3.42 billion book for the first three month ended June 30, 2016. Management indicated, "this was on account of increases in all business lines with the exception of net foreign exchange trading."

Dividend income for the quarter totaled \$11.36 million, a decrease of 28% compared to a total of \$15.69 million a year ago. Other income for the three months amounted to \$36.42 million (2016: \$1.21 million).

Operating expenses amounted to \$3.11 billion, increasing by 21% (2016: \$2.58 billion) which led to profit before taxation of \$994.47 million, a significant increase when compared to the \$857.04 million booked the year prior.

Following taxation of \$381.08 million, 45% higher compared to the corresponding period in 2016, net profit amounted to \$613.39 million compared to \$593.38 billion in 2016. Net profit attributable to the shareholders of the company totaled \$616.54 million relative to \$590.49 million recorded for the comparable period in 2016. Earnings per share (EPS) for the first quarter amounted to \$0.38 (2016: \$0.36), the trailing twelve months earnings per share is \$2.04 the number of units used in this calculation was 1,630,552,530.

*Prices are as at September 01, 2017 *Projections are for the forward 12 months from the most recent quarter results

U.S.: U.S. job growth slows in August; wage growth retreats

“WASHINGTON (Reuters) - U.S. job growth slowed more than expected in August after two straight months of hefty increases, but the pace of gains should be more than enough for the Federal Reserve to announce a plan to start trimming a massive bond portfolio accumulated as it sought to bolster the economy. Persistently sluggish wage growth could, however, make the U.S. central bank cautious about raising interest rates again this year. The Labor Department said on Friday nonfarm payrolls increased by 156,000 last month. The economy created 399,000 jobs in June and July. “We see nothing here that prevents the Fed from initiating its balance-sheet reduction plan at the September meeting,” said John Ryding, chief economist at RDQ Economics in New York. Average hourly earnings rose three cents or 0.1 percent after advancing 0.3 percent in July, keeping the year-on-year gain in wages at 2.5 percent for a fifth consecutive month. The average workweek slipped to 34.4 hours from 34.5 hours in July”.

<http://www.reuters.com/article/us-usa-economy/u-s-job-growth-slows-in-august-wage-growth-retreats-idUSKCN1BC3Q4>

Europe: Enter the Draghi

“The European Central Bank president has to reconcile an economic dichotomy of robust growth with weak inflation, a dilemma exacerbated by a seemingly unstoppable rise in the euro. The time for thinking is running out, however. The ECB’s massive stimulus scheme is due to expire by year-end so Draghi will have to start charting a new course when policymakers meet on Sept 7. The problem is that the ECB is undershooting its near 2 percent inflation target for the fifth year running and will continue to miss into the next decade, failing on its primary mandate and potentially jeopardizing its own credibility despite unprecedented stimulus. Economic growth, now into its 17th straight quarter, is even complicating the problem. The euro naturally firms as the economy roars ahead but that makes imports cheaper and holds back inflation even more. Indeed, the currency is up by 13 percent this year against the dollar, a reflection of the euro zone’s strength, policy uncertainty in the United States and expectations that one way or another, the ECB will have to tighten policy”.

<http://www.reuters.com/article/us-global-economy-outlook/enter-the-draghi-idUSKCN1BC54E>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at August 28, 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 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.

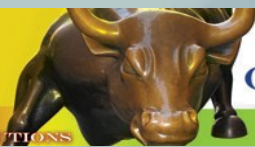
SPECULATIVE BUY: We believe the prospects for capital appreciation exist, however there is some level of uncertainty in revenue growth.

Source: www.jamstockex.com, www.bloomberg.com, www.investopedia.com, www.tradewire.com


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= POSITIVE TRANSFORMATION FOR OUR CLIENTS

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