

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (J\$) +

Stock Symbol	NCBFG	SJ	DTL	JAMT	GK
Current Price (\$)	89.83	32.93	7.00	4.40	41.97
Trailing EPS (\$)	7.80	3.23	0.42	0.26	3.46
P/E (times)	11.52	10.20	16.48	16.90	12.15
Projected P/E	9.11	10.41	7.68	14.75	10.62
Projected EPS (\$)*	9.87	3.16	0.91	0.30	3.95
Book Value per share (\$)	43.14	15.32	3.79	1.54	44.43
Price/Book Value (times)	2.08	2.15	1.85	2.85	0.94
Dividend Yield (2016 YTD %)	4.80%	3.83%	N/A	N/A	3.76%
Volumes	53,100	95,185	2,000	NIL	739,950
Recommendation	BUY	BUY	BUY	HOLD	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	130.200	98.960	126.7345	148.440	101.950	129.3208
CAN	103.000	75.000	100.3322	120.240	96.000	102.9355
GBP	169.000	122.250	163.0381	195.600	160.000	166.9882
EURO	150.850	111.530	145.4293	178.440	110.620	154.5254

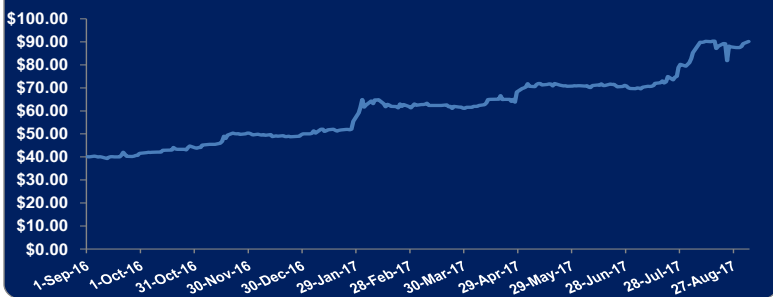
\*Rates as at September 4, 2017

### MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (September 5, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (September 5, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

### NCBFG



### STOCK OF THE DAY: NCB Financial Group Limited (NCBFG)

For The Nine Months Ended June 30, 2017:

Net Interest Income increased by 5%, relative to the corresponding period in 2016, to total \$22.19 billion (2016: \$21.04 billion). For the quarter, Net Interest Income for improved 9% to close at \$7.56 billion (2016: \$6.92 billion). Interest income rose 8% year over year to \$31.63 billion compared to \$29.21 billion in 2016, while interest expense amounted to \$9.44 billion relative to \$8.17 billion for the corresponding period in 2016.

Net Fees and Commission Income amounted to \$10.42 billion, an increase of 31% on 2016's \$7.98 billion. The bank also reported a gain on foreign currency and investment activities of \$5.62 billion, a growth of 80% relative to \$3.13 billion in 2016. Insurance premium income for the period declined 2% to \$5.63 billion (2016: \$5.73 billion), while dividend income increased 106% to a total of \$185.71 million (2016: \$90.32 million).

Other Operating Income climbed by 63% to \$163.99 million (2016: \$100.75 million). Consequently, total operating income increased 16% to a total of \$44.22 billion (2016: \$38.07 billion). Total operating income for the third quarter recorded a 19% growth to \$15.05 billion (2016: \$12.68 billion).

Total Operating Expenses for the period amounted to \$28 billion, an increase of 9% compared to the \$25.69 billion reported for the nine months ended June 30, 2016. Expenses for the quarter rose 18% to close at \$8.88 billion compared to \$7.55 billion in 2016. The increase within the nine months was due to other operating expenses and staff costs expenses. Of these expenses staff costs increased 18% to \$12.09 billion relative to \$10.21 billion in 2016, while other operating expenses which grew by 11% to \$11.04 billion (2016: \$9.91 billion).

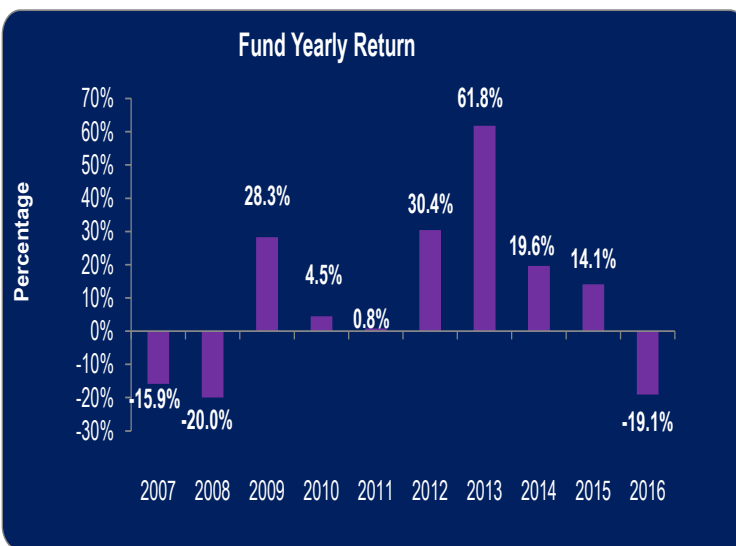
Provision for credit losses fell 45% to \$497.30 million (2016: \$903.63 million) while depreciation and amortization grew by 24% to \$1.72 billion (2016: \$1.38 billion). Policyholders' and annuitants' benefits and reserves decreased by 19% to \$2.65 billion relative to \$3.29 billion for the prior year's corresponding period. Consequently, operating profit increased 31% to total \$16.21 billion (2016: \$12.37 billion). 'Share of profit of associates' surged by 471% to total \$2.22 billion compared to \$389.42 million in 2016. The bank noted, "Share of profit of associates grew by \$1.8 billion mainly as a result of the acquisition of the 29.99% shareholding in Guardian Holdings Limited".

Consequently, profit before taxation increased 44% to \$18.44 billion relative to \$12.76 billion in 2016. After accounting for taxation of \$3.72 billion (2016: \$2.83 billion), net profit for the nine months totaled \$14.72 billion, an increase of 48% compared to \$9.94 billion for the corresponding period of 2016. Net profit for the third quarter improved by 33% to close at \$5.26 billion (2016: \$3.94 billion). Earnings per share (EPS) for the nine months ended June 30, 2017 totaled \$5.97 relative to \$4.03 booked for the comparable period of 2016. The EPS for the third quarter amounted to \$2.13 (2016: \$1.60). The trailing twelve month EPS amounted to \$7.80. 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 3 year return of 1.8% and a 5 year return of 15.1% as at July 31, 2017. The Fund also has a six month return of 6.7%.



\*Prices are as at September 05, 2017 \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: Florida insurers shares tumble as Hurricane Irma looms**

“(Reuters) - Shares in Florida home insurers such as Heritage Insurance Holdings tumbled on Tuesday as investors braced for losses as Hurricane Irma appeared set to hit the state on Saturday. Shares in Heritage hit record lows and were last down 15.0 percent at \$9.58 with trading volume 2.1 times its 10-day moving average. Universal Insurance Holdings Inc shares tumbled 15.2 and were on track for their biggest one-day percentage drop since November 2015. Irma strengthened into a highly dangerous Category 5 storm, with winds of 157 mph or higher, on Tuesday as it barreled toward the Caribbean and the southern United States, threatening deadly winds, storm surges and flooding. “If Irma continues its current path it will create significant insured damage,” said Sandler O’Neill analyst Paul Newsome. “It’s quite easy for them to wipe out all their earnings for the year.”

<http://www.reuters.com/article/us-storm-irma-florida-insurers/florida-insurers-shares-tumble-as-hurricane-irma-looms-idUSKCN1BG28C?il=0>

**Europe: Putin Echoes China in Spurning U.S. on North Korea Sanctions**

“Russian President Vladimir Putin again rejected U.S. calls for new sanctions against North Korea after its sixth and most powerful nuclear test, echoing China’s resistance to more punitive measures to pressure Pyongyang into abandoning its atomic and missile programs. The Russian leader criticized sanctions as “useless and ineffective,” instead urging the international community to offer security guarantees to North Korea. “They’ll eat grass, but they won’t abandon their program unless they feel secure,” he told reporters Tuesday at an emerging markets summit in Xiamen, China, which was hosted by his Chinese counterpart Xi Jinping. U.S. Ambassador to the United Nations Nikki Haley said Monday the Trump administration would seek the strongest possible sanctions against Kim Jong Un’s regime. Kim was “begging for war” after testing what he claimed was a hydrogen bomb, she said after a meeting of the UN Security Council.”

<https://www.bloomberg.com/news/articles/2017-09-05/putin-rejects-sanctions-as-ineffective-against-north-korea>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at September 4, 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.

**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.

**Company Disclosure** -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

**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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://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**



**MAYBERRY INVESTMENTS LIMITED**  
A Member of the Jamaica Stock Exchange

1 ½ Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9  
research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com