

DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	SGJ	JMMBGL	DTL	MEEG	JAMT
Current Price (\$)	54.25	21.58	8.00	4.90	5.00
Trailing EPS (\$)	3.96	2.05	0.42	0.22	0.26
P/E (times)	13.69	10.54	18.83	22.08	19.20
Projected P/E	12.77	9.67	8.78	21.87	16.76
Projected EPS (\$)*	4.25	2.23	0.91	0.22	0.30
Book Value per share (\$)	30.54	16.44	3.79	1.40	1.54
Price/Book Value (times)	1.78	1.31	2.11	3.50	3.24
Dividend Yield (2016 YTD %)	0.05	0.03	N/A	N/A	N/A
Volumes	153,874	92,900	613	NIL	1,400
Recommendation	HOLD	BUY	BUY	SELL	HOLD

JMMBGL



STOCK OF THE DAY: JMMB Group Limited - (JMMBGL)

For the three months ended June 30, 2017:

Net interest income totalled \$1.91 billion compared to \$1.55 billion in 2016, an increase of 24%. JMMBGL noted, "there was strong growth in the earning portfolios especially the loan portfolios across the Group. As such, yields were higher than the prior period and cost of funding was lower given the spread management strategy in place."

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% totalling \$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 months ended June 30, 2016.

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. The movement in operating expenses was due to costs associated with the transition of JMMB Merchant Bank to a commercial bank. The Group stated, "costs associated with the enhancement of our integrated Group sales and support framework was added during the course of the prior financial year, and the current reporting period would reflect the first full year of cost."

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 totalled \$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).

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	130.300	98.960	128.2895	148.440	102.930	129.4176
CAN	105.600	75.000	104.6287	120.240	96.000	105.1661
GBP	169.000	121.500	164.6384	186.300	124.800	165.7877
EURO	152.000	110.250	148.0891	176.400	145.000	155.9524

*Rates as at September 05, 2017

MONEY MARKET

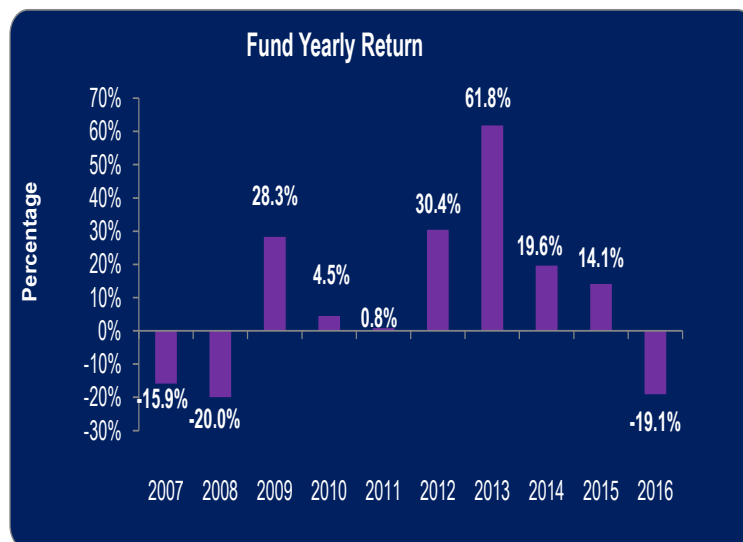
The Jamaican dollar fixed income market was illiquid in today's (September 06, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (September 06, 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 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%.



U.S.: U.S. services sector growth accelerates; trade deficit edges up

“U.S. services sector activity accelerated in August amid strong gains in new orders and employment, suggesting that a slowdown in job growth last month was probably temporary. The economic outlook received a further boost from other data on Wednesday showing only a modest rise in the trade deficit in July. The reports were the latest signs that the economy had gathered momentum early in the third quarter. Economists, however, cautioned that Hurricane Harvey, which devastated parts of Texas, could sap some of the strength. “The U.S. economy carried a little more momentum than originally thought,” said Jennifer Lee, a senior economist at BMO Capital Markets in Toronto. “However, some of that momentum will be blunted by, for starters, Hurricane Harvey.”

<http://www.reuters.com/article/us-usa-economy-trade/u-s-services-sector-growth-accelerates-trade-deficit-edges-up-idUSKCN1BH1P5>

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.

DISCLAIMER

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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

Europe: Higher oil, caution before ECB push up euro zone bond yields

“Euro zone bond yields drifted higher on Wednesday, reversing early falls, as the impact of strong gains in the U.S. Treasury market faded and focus turned to higher oil prices and a keenly anticipated ECB meeting. U.S. Treasury yields hit almost 10-month lows on Tuesday as worries about further nuclear tests by North Korea and the impact of powerful storm Irma sparked demand for low-risk assets. When a bond's price rises, its yield falls. That provided a positive backdrop for European bond markets, with German 10-year yields hitting their lowest levels in just over a week in early trade on Wednesday. But as the session wore on, bond yields across the bloc reversed course, rising 1-2 basis points. Analysts said a rise in oil prices helped explain the move. Brent crude oil prices rose almost 1 percent to their highest levels since May driven by strong global refining margins and the reopening of U.S. Gulf Coast refineries after Storm Harvey. “We've got the oil price higher, which is something that is often consistent with a move higher in bond yields,” said Chris Scieluna, head of economic research at Daiwa Capital Markets.

<http://www.reuters.com/article/eurozone-bonds/update-2-higher-oil-caution-before-ecb-push-up-euro-zone-bond-yields-idUSL8N1LN2DI>

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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= POSITIVE TRANSFORMATION FOR OUR CLIENTS

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MAYBERRY
INVESTMENTS LIMITED
A Member of the Jamaica Stock Exchange

1 1/2 Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9
research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com