

DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) +

Stock Symbol	DTL	GENAC	JAMT	CAR	NCBFG
Current Price (\$)	8.05	2.86	4.00	108.00	89.24
Trailing EPS (\$)	0.42	0.32	0.26	7.84	7.80
P/E (times)	18.95	9.02	15.36	13.77	11.45
Projected P/E	8.83	9.59	13.41	13.45	9.05
Projected EPS (\$)*	0.91	0.30	0.30	8.03	9.87
Book Value per share (\$)	3.79	1.99	1.54	3.85	43.14
Price/Book Value (times)	2.13	1.44	2.59	28.07	2.07
Dividend Yield (2016 YTD %)	N/A	6.06%	N/A	10.04%	4.80%
Volumes	8,245	NIL	94,960	15,885	171,811
Recommendation	BUY	BUY	HOLD	SELL	BUY

DTL



STOCK OF THE DAY: Derrimon Trading Limited (DTL)

For the six months ended June 30, 2017:

Derrimon Trading Limited (DTL) Trading Income declined by 5%, to end the six months at \$3.05 billion compared to the \$3.21 billion for the prior period. For the quarter the company reported a 14% decline in Trading Income totalling \$1.41 billion relative to \$1.64 billion.

Cost of Sales declined by 11% to \$2.46 billion for the period (2016: \$2.76 billion). As a result, Gross Profit amounted to \$580.72 million relative to \$458.24 million the year prior, an increase of 27% year over year. DTL noted that, "this improvement is a combination of improvement in margins arising from strategies employed within both the distribution & retail segments of the business." Other Income increased by 49% to close the period at \$11.36 million relative to \$7.62 million reported in 2016.

Other Income for the period improved 49% to close the six months at \$11.36 million relative to \$7.62 million in 2016. Total operating expenses was \$453.06 million for the period, representing a growth of 27% on the \$357.56 million recorded in the prior year. Administrative expense totalled \$396.89 million, 40% higher when compared to the \$283.44 million in 2016. While selling and distribution expenses recorded a 24% decline for the period, totalling \$56.17 million (2016: \$74.12 million). Finance Cost increased by 75% to total \$52.70 million for the period relative to \$30.19 million in 2016. The company indicated that "the impact from the sale of the 10% shares in Caribbean Flavours and Fragrances and the replacement of higher costing US dollar loans will positively impact this expense line in ensuing months." Consequently, profit before taxation grew by 11% ending the period at \$86.33 million for the six months compared to \$78.12 million in 2016. No taxes were reported for the period as such Net Profit amounted to \$86.33 million an 11% increase. For the quarter the company reported a 5% increase in Net Profits to \$33.90 million (2016: \$32.32 million).

Earnings per share (EPS) closed the period at \$0.32 (2016: \$0.29), while for the quarter, the EPS was \$0.12 (2016: \$0.12). The twelve month trailing EPS amounted to \$0.49. The total number of shares used in the computation amounted to

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	130.900	99.200	128.8753	148.800	107.820	129.9286
CAN	108.300	75.000	105.4208	122.400	95.600	107.0999
GBP	172.000	124.390	166.1655	199.020	161.000	169.5848
EURO	153.000	112.500	148.0011	180.000	145.000	159.2530

*Rates as at September 11, 2017

MONEY MARKET

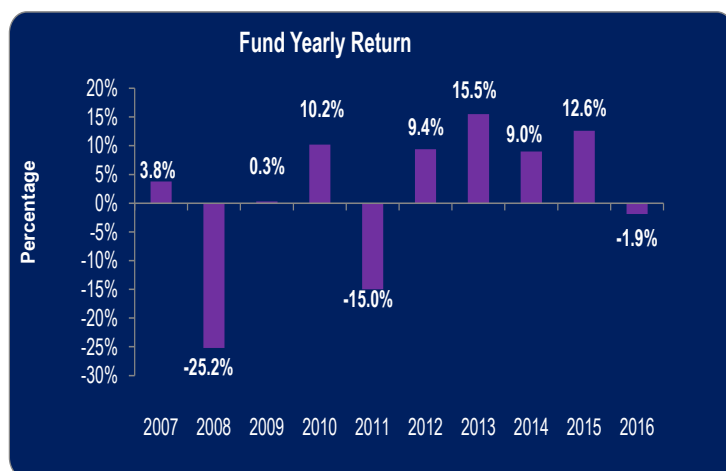
The Jamaican dollar fixed income market was illiquid in today's (September 12, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (September 12, 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 Pacific Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of established companies that the portfolio advisor believes have good growth potential. The fund has a 3 year return of 7.2% and a 5 year return of 11.3% as at August 31, 2017. The Fund also has a six month return of 5.9%.



U.S.: Trump Officials Temper Expectation of 15% Corporate Tax Rate

“Two top Trump administration officials said it may not be possible for President Donald Trump to deliver on his promise to cut corporate tax rates to 15 percent. In separate appearances Tuesday, Treasury Secretary Steven Mnuchin and Marc Short, Trump’s legislative affairs director, both said Trump is still committed to that rate cut -- down from the current 35 percent -- but acknowledged the potential for compromise. “The president has made it clear since the campaign, ideally he’d like to get it down to 15 percent. I don’t know if we’ll be able to achieve that given the budget issues, but we’re going to get this down to a very competitive level,” Mnuchin said Tuesday at the CNBC Institutional Investor Delivering Alpha Conference in New York. “What the exact number is less important, what’s important is making sure we have a competitive system.”

<https://www.bloomberg.com/news/articles/2017-09-12/mnuchin-says-tax-overhaul-may-be-backdated-to-start-of-the-year>

Europe: How Western Capital Colonized Eastern Europe

“Yet another Eastern European country is about to get a populist, anti-immigration, euroskeptic government: Billionaire Andrej Babis’s ANO party enjoys a wide poll lead ahead of the October parliamentary election in the Czech Republic. The central European country would join Poland, Hungary and Slovakia. If that sounds ominous, there is at least one bulwark against extremism in the region: Western European capital. Indeed, Western investment plays such an important role in economies of all these countries that nationalist politicians make their countries look more like truculent colonies than partners in a grand integration project. In a recent paper, Filip Novokmet, Thomas Piketty and Gabriel Zucman bluntly call Eastern European nations “foreign-owned countries.” “The owners tend to come from EU countries (in particular from Germany),” they write. “So in some sense it is not entirely different from the situation of peripheral regions that are being owned by more prosperous central regions in a large federal country.”

<https://www.bloomberg.com/view/articles/2017-09-12/how-western-capital-colonized-eastern-europe>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 11, 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 Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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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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