

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	GK	SEP	BPOW	SGJ	KREMI
Current Price (\$)	42.88	33.38	45.00	45.46	6.10
Trailing EPS (\$)	3.46	1.41	2.18	3.83	0.52
P/E (times)	12.41	23.61	20.69	11.88	11.73
Projected P/E	10.85	17.79	18.75	11.32	11.60
Projected EPS (\$)*	3.95	1.88	2.40	4.01	0.53
Book Value per share (\$)	44.43	18.69	12.56	30.54	1.56
Price/Book Value (times)	0.97	1.79	3.58	1.49	3.91
Dividend Yield (2017 YTD %)	0.70%	N/A	0.42%	1.98%	N/A
Volumes	11,605	3,000	NIL	631,765	NIL
Recommendation	HOLD	HOLD	SELL	HOLD	BUY

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	131.500	99.200	129.2773	148.800	100.880	130.5164
CAN	106.550	75.000	104.4469	123.000	98.600	106.0561
GBP	178.500	128.480	172.6043	205.560	159.000	175.3011
EURO	155.500	113.700	153.7205	181.920	148.000	156.1782

\*Rates as at September 25, 2017

### MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (September 26, 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 26, 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 1.5% and a 5 year return of 15.9% as at August 31, 2017. The Fund also has a 6 month return of 2.5%.

KREMI



### STOCK OF THE DAY: Caribbean Cream Ltd. (KREMI)

For quarter ended May 31, 2017:-

KREMI reported a 1% increase during the quarter totaling \$319.10 million compared to \$315.26 million in the corresponding period last year. According to the company, "sales were affected by the reduction in demand due to adverse weather conditions (rain & flooding) existing in the 1st Quarter of our financial year."

Costs of Sales amounted to \$211.74 million, an increase of 19%. Management indicated, "the increased cost is driven by (1) price increases on ingredients, storage and shipping, (2) higher utility costs due to the use of additional space to accommodate more raw material goods storage, and (3) increased labour cost due to salary increases and preparations for anticipated sales." Nevertheless, Gross Profit fell 22% or \$30.42 million to \$107.36 million compared to \$137.78 million for the corresponding period in 2016.

Administrative Expenses increased by 11% to close at \$60.50 million, while Selling and Distribution Costs slid 1% from \$10.84 million to \$10.76 million. Finance Cost rose 5% year over year to amount to \$3.15 million relative to \$0.19 for the prior year's corresponding period. The growth in Administrative costs were driven by increases in staff training as per the company.

Interest income for the period reflected a growth of 33% to \$1.31 million versus \$987,836 book in 2016.

No taxes were charged for the quarter, as such Net Profit Attributable to Shareholders decreased by 51% from \$71.18 million in 2016 to \$34.86 million. Consequently, Earnings per Share for the quarter amounted to \$0.09 relative to \$0.19 for the prior year's corresponding period. The trailing twelve months earnings per share amounted to \$0.36. the number of shares used in this calculations were 378,568,115 units.

Fund Yearly Return



**US: Trump Meets With House Democrats Over GOP's 'Detailed' Tax Plan**

“President Donald Trump met Tuesday with a bipartisan group of House Ways and Means Committee members, the day before he heads to Indiana to help unveil what he called a “very comprehensive, very detailed” framework for tax legislation. Before the meeting, Trump said the plan, which has been kept under tight wraps by congressional leaders and White House officials, will simplify taxes, increase the child tax credit and cut taxes for the middle class “tremendously.” Democrats have questioned whether the plan’s details -- based on leaks that surfaced over the past week -- will ultimately benefit top earners the most. Trump said Tuesday it was “time for both parties to come together” on taxes -- though a House Democratic aide said Tuesday’s meeting doesn’t signal any new agreements. Because the framework is probably already written and scheduled for release Wednesday, the aide described Tuesday’s meeting as pointless.”

<https://www.bloomberg.com/news/articles/2017-09-26/trump-meets-with-house-democratic-tax-writers-in-push-for-bill>

**EUROPE: Google to Create Shopping Service Unit to Satisfy EU**

“Google will create a standalone unit for its shopping service and require it to bid against rivals for ads shown on the top of its search page, in an effort to satisfy European Union concerns over the display of product results, three people familiar with the investigation said. Google faces a Thursday deadline to comply with an EU antitrust order for it to give equal treatment in how the search engine shows competitors’ comparison-shopping sites, according to the people, who asked not to be named as the negotiations are private. While the shopping service will remain part of Google, it will operate separately and use its own revenues to bid for ads. Google was ordered by regulators to stop promoting its own shopping search results over competitors’ and to make changes by Sept. 28 designed to give rivals a better chance to compete, the EU said in June when it fined the company 2.4 billion euros (\$2.8 billion). The company could be fined up to 5 percent of daily revenue if it fails to comply.”

<https://www.bloomberg.com/news/articles/2017-09-26/google-said-to-split-off-shopping-service-to-meet-eu-demands>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at September 25, 2017**

	Percentage (%)
<b>Yield to Maturity</b>	4.64
<b>Weighted Average Coupon</b>	5.018
<b>Current Yield</b>	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](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)

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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
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