

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS) +

Stock Symbol	CPJ	BPOW	SJ	KREMI	JSE
Current Price (\$)	3.61	45.00	34.24	5.95	6.84
Trailing EPS (\$)	0.30	2.18	3.23	0.52	0.24
P/E (times)	12.08	20.69	10.61	11.44	28.61
Projected P/E	8.89	18.75	10.83	11.31	19.58
Projected EPS (\$)*	0.41	2.40	3.16	0.53	0.35
Book Value per share (\$)	2.56	12.56	15.32	1.56	1.27
Price/Book Value (times)	1.41	3.58	2.24	3.81	5.38
Dividend Yield (2017 YTD %)	N/A	0.42%	N/A	N/A	0.52%
Volumes	104,000	NIL	35,641	24,714	40,135
Recommendation	HOLD	SELL	HOLD	BUY	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	131.200	99.200	129.4029	148.800	101.500	130.3727
CAN	108.000	75.000	105.5142	121.620	95.000	105.8038
GBP	174.000	127.130	170.3474	180.287	168.000	175.4967
EURO	153.360	111.530	147.7681	178.440	147.300	154.0556

*Rates as at September 27, 2017

MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (September 28, 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 28, 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 American Small Companies Fund

This fund's objective is to seek above-average capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization North American companies. The fund has a 3 year return of 9.7% and a 5 year return of 16.2% as at August 31, 2017. The Fund also has a 1 year return of 4.0%.



STOCK OF THE DAY: Sagicor Group Jamaica Limited (SJ)

For the six months ended June 30, 2017:-

Total Revenues increased by 5% to \$30.36 billion from \$29 billion in 2016, while for the second quarter Total Revenues were down 1% to total 15.09 billion compared to 15.29 billion in 2016. Total revenue was broken down as follows;

Net premium revenue increased by 12% to a total of \$17.41 billion compared to \$15.61 billion last year.

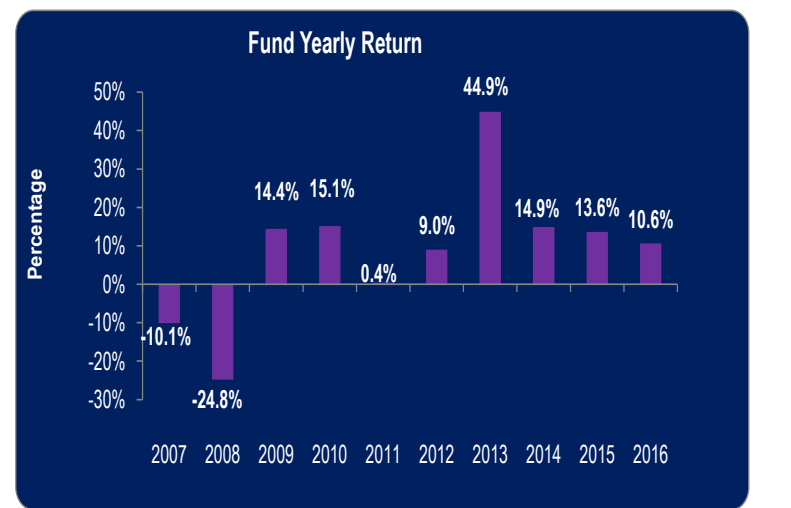
Net Investment Income declined to \$8.96 billion from \$10.05 billion in 2016, an 11% decline.

Fees and other revenue increased 19% to \$3.99 billion from \$3.34 billion in 2016.

Benefits and Expenses totaled \$23.60 billion for the period, a slight decline of 0.3% from \$23.67 billion, while for the second quarter Benefits and Expenses were down 10% to close at \$11.11 billion relative to \$12.28 billion in 2016. This was mainly driven by increases in commission and related expense and administration expenses and a decline in Changes in insurance and annuity liabilities. Commission and related expenses grew by 15% to \$2.38 billion from \$2.07 billion while administration expenses increased by 31% to \$9.27 billion (2016:\$7.1 billion). The company highlighted that "the increases were influenced by business expansion - in particular the Cards and Payments business." Changes in insurance and annuity liabilities decline by 86% to total \$465.34 million relative to \$3.26 billion in 2016.

Share of profit from joint venture amounted to \$16.53 million relative to \$10.96 million a year prior. Share of profit from associate for the period totaled \$233.13 million compared to \$329.43 million last year. As such, Profit before Taxation amounted to \$7.01 billion, a 24% gain when compared to the \$5.67 billion booked in 2016.

Investment and corporation taxes of \$1.35 billion was reported for the period (2016: \$1.37 billion), as such net profit for the six months totaled \$5.65 billion (2016:\$4.31 billion), an increase of 31%. Profit for the quarter amounted to \$3.06 billion relative to \$2.40 billion in 2016. Earnings per share for the quarter amounted to \$0.783 (2016:\$0.615), while EPS for the period totaled \$1.45 relative to \$1.10 in 2016. The twelve month trailing EPS amounted to \$3.22.



US: Richest Americans Doubt They'll Really Win in Trump's Tax Plan

“President Donald Trump’s tax plan suggests that wealthy Americans could be in line for a boatload of breaks. At this point, the rich aren’t buying it. “Trying to plan is pretty impossible,” said John Anzivino, head of the estate and trust group at Kaufman Rossin in Miami, pointing to hurdles the proposal faces in Congress. “Everybody’s a little taken aback by the blueprint they’re throwing out here.” Trump’s proposal could be a boon for the top 1 percent of U.S. earners. Elements include capping the rate on pass-through entities at 25 percent, eliminating the alternative-minimum tax and repealing the estate tax. Even so, some advisers to the country’s richest people are skeptical about nuances of the plan, such as cutting the top individual rate to 35 percent while allowing Congress to create a higher bracket for those at the peak of the income scale.”

<https://www.bloomberg.com/news/articles/2017-09-28/richest-americans-doubt-they-ll-really-win-in-trump-s-tax-plan>

EUROPE: EU Chief Says It May Take Months for Brexit Talks to Move On

“European Union chief Brexit negotiator Michel Barnier said it could take months before the divorce talks can move on to trade, in a blow to Theresa May’s hopes for faster progress. The fourth round of talks, while more positive in tone, failed to deliver the breakthrough that’s needed for negotiations to start on the trade deal the U.K. desperately wants. Barnier said Britain still hasn’t set out what it thinks the country owes the bloc when it leaves and there’s no agreement on the role of the European Court of Justice -- one of the most contentious issues for both sides. "It’s positive that Theresa May’s speech made it possible to unblock the situation to some extent and give a new dynamic,” Barnier told a news conference with Brexit Secretary David Davis in Brussels on Thursday. “But we are far from the stage, and it will take weeks or maybe even months, where we will be able to say yes there has been sufficient progress on the principles for the orderly withdrawal.”

<https://www.bloomberg.com/news/articles/2017-09-27/eu-is-said-to-consider-brexit-concession-on-transition-talks>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 25, 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 Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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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