

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	DTL	JBG	SGJ	NCBFG	CCC
Current Price (\$)	7.99	17.40	46.50	87.02	27.87
Trailing EPS (\$)	0.42	1.69	3.83	7.80	1.54
P/E (times)	18.81	10.28	12.15	11.16	18.06
Projected P/E	8.77	11.25	11.58	8.82	11.23
Projected EPS (\$)*	0.91	1.55	4.01	9.87	2.48
Book Value per share (\$)	3.79	12.22	30.54	43.14	10.37
Price/Book Value (times)	2.11	1.42	1.52	2.02	2.69
Dividend Yield (2017 YTD %)	N/A	1.03%	1.94%	2.07%	N/A
Volumes	NIL	64,504	46,200	542,955	126,250
Recommendation	BUY	HOLD	HOLD	HOLD	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	131.500	99.200	129.1181	148.800	124.000	129.9901
CAN	105.850	75.000	105.3095	121.680	99.000	105.5543
GBP	176.800	126.750	170.4587	194.920	164.700	176.2082
EURO	153.027	111.000	145.2725	170.200	147.750	157.1371

*Rates as at September 28, 2017

MONEY MARKET

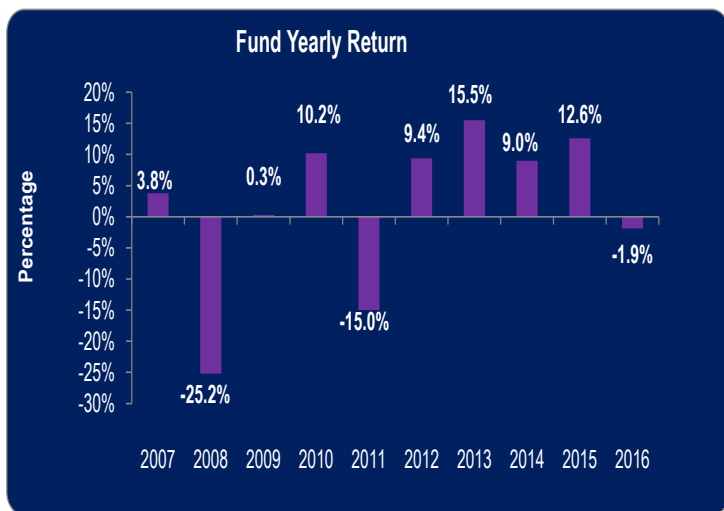
The Jamaican dollar fixed income market was illiquid in today's (September 29, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (September 29, 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 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 1 year return of 11.3%.



STOCK OF THE DAY: Jamaica Broilers Group (JBG)

For the three months ended July 31, 2017,

Revenues totalled \$11.49 billion, a 15% increase on the \$10.02 billion reported in 2016. Total revenue was broken down as follows;

The Jamaica Operations contributed \$7.87 billion, a 9% increase compared to \$7.23 billion for the same period of 2016. JBG noted, "Jamaica Operations reported a first quarter segment result of \$499 million, which was \$192 million of 30% below last year's normalised segment result of \$641 million. This decrease was attributed to lowered production volumes and higher distribution costs when compared to the prior year. These higher costs were as a result of a rebalancing of the inventory in the poultry segment, as well as some third-party storage issues that took place in the first quarter. Total revenue for our Jamaica Operations showed a strong increase of 8%."

US Operations recorded an increase of 27% to total \$3.09 billion relative to \$2.43 billion last year. Other Caribbean Operations contributed \$526.77 million, an increase of 47% when compared to \$3359.50 million.

Cost of Sales grew by 20% to \$8.82 billion from \$7.36 billion in 2016. Gross profit for the first quarter reflected an increase of 1% to close at \$2.67 billion versus \$2.65 billion booked for the corresponding period in 2016.

Other income climbed 25% from \$55.04 million for the first quarter of 2016 to \$68.94 million in 2017. Distribution costs rose 38% to close at \$443.78 million relative to \$321.26 million recorded for the prior year's comparable period, while administration and other expenses grew by 4% to \$1.86 billion (2016: \$1.79 billion). Operating profit declined by 27%, totalling \$436.43 million relative to \$660.97 million last year. JBG reported finance income of \$10.44 million (2016: \$123.29 million) a decrease of 92%, while finance costs declined by 8% to \$150.45 million relative to \$163.27 million in 2016.

Profit before taxation decreased for the period amounting to \$296.42 million (2016: \$560.99 million). Tax charges for the quarter totalled \$83.84 million (2016: \$159.72 million). As such, net profit amounted to \$212.59 million (2016: \$401.27 million). Net profit attributable to shareholders amounted to \$197.69 million relative to \$400.02 million booking for the comparable period in 2016. Total comprehensive income for the first quarter amounted to \$211.35 million relative to a loss of \$459.85 million.

Consequently, earnings per share totalled \$0.16 relative to \$0.33 booked for the first quarter of 2016. The trailing twelve months EPS amounted to \$1.69. The total shares used in our calculation amounted to 1,199,276,400 units.

*Prices are as at September 29, 2017 *Projections are for the forward 12 months from the most recent quarter results

US: Trump Says He'll Decide on New Fed Chair in Two to Three Weeks

“President Donald Trump said Friday he’ll decide who will be the next leader of the U.S. central bank within three weeks, and has met with at least two candidates this week as he picked up the pace of his search for a new Federal Reserve chairman. Trump and Treasury Secretary Steven Mnuchin met Thursday with former Federal Reserve governor Kevin Warsh an administration official said. The Wall Street Journal reported that Trump and Mnuchin also interviewed Federal Reserve governor Jerome Powell on Wednesday. As part of the search Trump has already met with other contenders, said another administration official, who declined to name the candidates who have sat down with the president. Financial stocks rose and bonds fell on the report of Warsh’s meeting. Warsh, 47, currently is a fellow at the Hoover Institution.”

<https://www.bloomberg.com/news/articles/2017-09-29/trump-mnuchin-are-said-to-meet-with-warsh-to-discuss-fed-chair>

EUROPE: Merkel's Pick to Replace Schaeuble Sends Signals on EU Outlook

“Angela Merkel’s choice of her political fixer to take the reins at the Finance Ministry until a government is formed sends a determined message to her potential coalition partners. Peter Altmaier, 59, currently the chancellor’s chief of staff, will take over the finance portfolio when Wolfgang Schaeuble moves to his new post as president of the Bundestag in late October. Altmaier will be finance minister until Merkel’s fourth-term coalition is formed, most likely a three-way alliance between her bloc, the Free Democrats and the Greens. Altmaier is one of the genuine political heavyweights in her team. She drafted him into the cabinet in 2012 to take control of the shift from nuclear power to clean energy when it looked like it was running away from her. He was also the firefighter put in overall charge of handling the refugee crisis. Her pick could be interpreted as a play to hold on to the ministry in the face of repeat demands by the Free Democrats, though it’s perhaps more likely that she’s sending a signal of continuity and a pro-European outlook for her fourth term: As a native of Saarland, the tiny German state bordering France, Altmaier is a Francophile and a consummate European.”

<https://www.bloomberg.com/news/articles/2017-09-29/merkel-s-pick-to-replace-schaeuble-sends-signals-on-eu-outlook>

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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