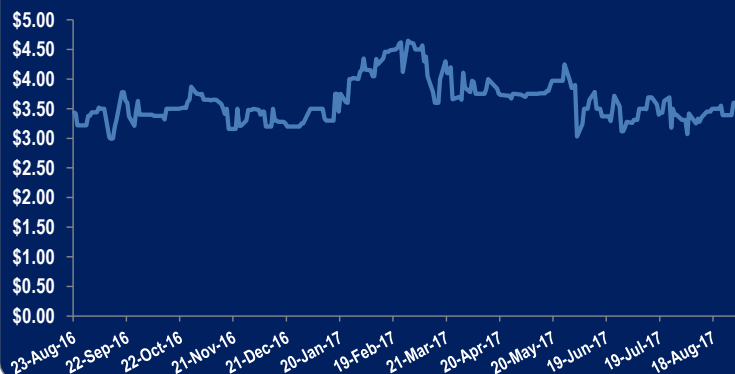


## DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) <sup>+</sup>

Stock Symbol	BPOW	JMMBGL	CPJ	LASD	XFUND
Current Price (\$)	40.00	20.95	3.77	7.05	11.99
Trailing EPS (\$)	2.18	2.05	0.30	0.18	0.76
P/E (times)	18.39	10.23	12.62	38.49	15.78
Projected P/E	16.67	9.39	9.28	35.95	21.53
Projected EPS (\$)*	2.40	2.23	0.41	0.20	0.56
Book Value per share (\$)	12.56	16.44	2.56	1.23	7.45
Price/Book Value (times)	3.18	1.27	1.48	5.72	1.61
Dividend Yield (2016 YTD %)	0.57%	2.76%	1.82%	0.75%	1.19%
Volumes	NIL	19,820	31,258	27,962	8,983
Recommendation	HOLD	BUY	BUY	SELL	SELL

CPJ



## STOCK OF THE DAY: Caribbean Producers Jamaica Limited (CPJ)

## CPJ Six months ending March 31, 2017

Revenues grew 4% year on year, to close the period at \$72.33 million compared to the \$69.79 million for the same period last year. For the third quarter the company posted an 8% growth in revenues to close at \$26.30 million relative to \$24.38 million for the same quarter of 2016.

Cost of goods sold showed a 5% increase closing the period at \$52.17 million relative to \$49.492 million for the same period last year. For the quarter the company recorded a 10% increase in cost of goods sold to close at \$18.90 million relative to \$17.26 million for the comparable period in 2016.

Consequently, CPJ recorded a marginal decline in gross profits to \$20.16 million (2016: \$20.30 million). Gross profits for the quarter however improved from \$7.12 million in 2016 to \$7.40 million.

Selling and administrative expenses were \$14.55 million, a 1% decrease on the \$14.69 million posted last year. According to the company the, "the reduction in salary related expenses and improvement in supply chain practices were primarily responsible for the cost containment."

Profit before finance costs, income and taxation declined by 5% to total \$3.66 million relative to \$1.76 million in 2015.

Finance costs amounted to \$1.45 million (2015: \$1.50 million), due to, "improvement treasury management," according to CPJ. Finance income decreased by 92% to close at \$909. As such profit before taxation was \$2.21 million compared to a profit of \$2.40 million in 2016.

Net Profit attributable to shareholders for the period amounted to \$1.90 million, this compares with the net profit attributable to shareholders of \$2.32 million booked last year. For the quarter CPJ booked net profit attributable to shareholders of \$929.17 million, a 57% improvement relative to the \$591.82 million for the same period last year.

As a result, earnings per share (EPS) for the period amounted to US\$0.173 cents compared to EPS US\$0.211 cents in 2015. EPS for the quarter amounted to US\$0.084 cents (2015: US\$0.054 cents) while the twelve month trailing EPS totalled US\$0.057 cents. The number of shares used in our calculations amounted to 1,100,000,000 units.

## FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	129.850	98.400	127.3622	147.600	103.500	128.7676
CAN	105.000	74.630	103.1576	119.400	99.500	104.4397
GBP	168.900	121.130	164.3323	193.800	161.000	167.2255
EURO	156.000	111.000	148.7168	177.600	147.000	156.4097

\*Rates as at August 29, 2017

## MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (August 30, 2017) trading session. The overnight rates were quoted around 3.50% to 4.25% while the 30-day rates were between 5.5% to 5.85%.

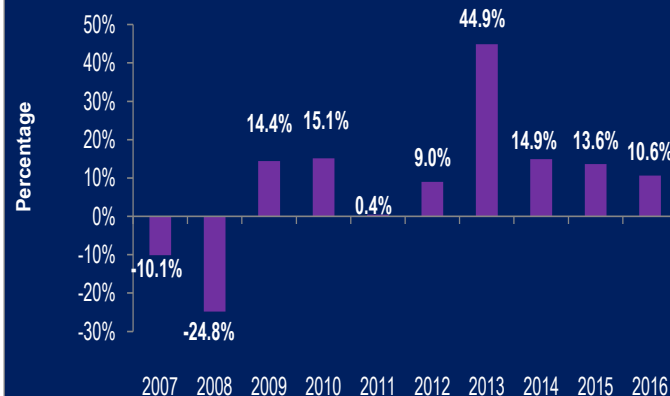
The US dollar fixed income market was also liquid during today's (August 30, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.3% to 1.6%.

## 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 1 year return of 7.0% and a 5 year return of 17.2% as at July 31, 2017. The Fund also has a three year return of 12.3%.

Fund Yearly Return



“The upward revision from the 2.6 percent pace reported last month reflected robust consumer spending as well as strong business investment. Growth last quarter was the strongest since the first quarter of 2015 and followed a 1.2 percent pace in the January-March period. Economists had expected that second-quarter GDP growth would be raised to a 2.7 percent rate. Retail sales and business spending data so far suggest the economy maintained its stamina early in the third quarter. Other data on Wednesday showed private employers ramped up hiring in August, adding 237,000 jobs to their payrolls. That was up from 201,000 jobs in July. The ADP National Employment Report was released ahead of the government’s more comprehensive employment report on Friday, which is expected to show solid job gains in August and diminishing labour market slack. The dollar extended gains versus a basket of currencies on the data, while prices for U.S. Treasuries fell. U.S. stock index futures trimmed gains”.

<http://www.reuters.com/article/us-usa-economy-gdp-idUSKCN1BA1JN?il=0>

“German consumer inflation accelerated more than expected in August but remained below the European Central Bank’s target, data showed on Wednesday, suggesting a solid upswing in Europe’s largest economy is slowly pushing up price pressures. Consumer prices, harmonised to compare with other European countries (HICP), rose by 1.8 percent on the year after an inflation rate of 1.5 percent in the previous month, the Federal Statistics Office said. On the month, prices rose 0.2 percent. Both figures came in stronger than expected, with a Reuters poll having pointed to an increase of 1.7 percent on the year and a rise of 0.1 percent on the month. A breakdown of non-harmonised data showed energy and food costs were the main drivers of inflation while the cost of services did not rise as strongly as in July”.

<http://www.reuters.com/article/germany-economy-inflation-idUSL8N1LG3JF>

## PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at August 28, 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

### USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

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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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