

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS) +

Stock Symbol	JETCON	JAMT	GENAC	SJ	PJAM
Current Price (\$)	4.90	4.09	3.00	38.42	39.13
Trailing EPS (\$)	0.25	0.26	0.32	3.23	4.22
P/E (times)	19.46	15.71	9.46	11.90	9.26
Projected P/E	15.94	13.71	10.06	12.15	10.21
Projected EPS (\$)*	0.31	0.30	0.30	3.16	3.83
Book Value per share (\$)	0.62	1.54	1.99	15.32	25.52
Price/Book Value (times)	7.93	2.65	1.51	2.51	1.53
Dividend Yield (2017 YTD %)	0.48%	0.73%	6.46%	N/A	2.04%
Volumes	NIL	122,528	705	385,734	485
Recommendation	HOLD	HOLD	SELL	HOLD	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.000	100.080	127.0119	140.870	102.100	127.9658
CAN	103.400	73.500	102.1684	113.100	74.100	102.7801
GBP	173.160	122.330	166.4760	190.440	163.100	168.8748
EURO	155.310	109.050	143.9573	168.250	145.400	151.6106

*Rates as at October 17, 2017

MONEY MARKET

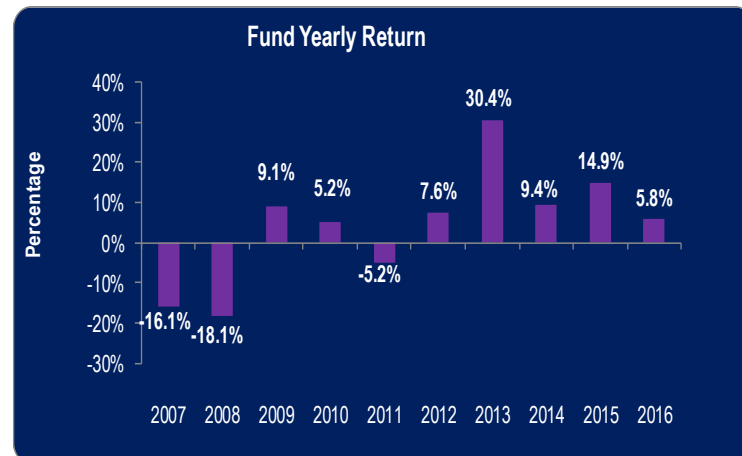
The Jamaican dollar fixed income market was illiquid in today's (October 18, 2017) trading session. The overnight rates were quoted around 2.30% to 3.25% while the 30-day rates were between 5.00% to 5.15%.

The US dollar fixed income market was also liquid during today's (October 18, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

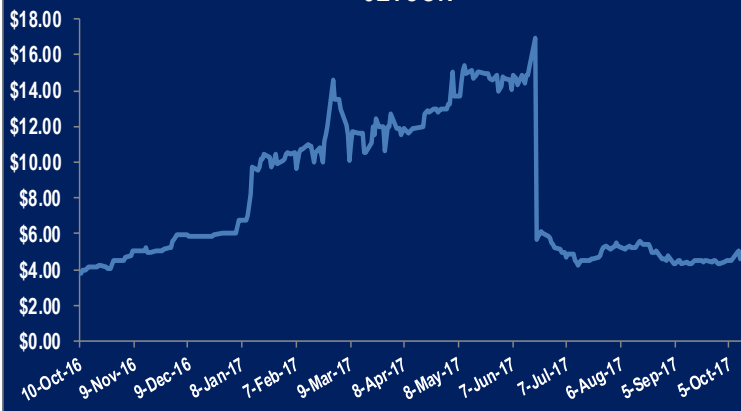
OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund has a 3 year return of 9.3% and a 5 year return of 13% as at September 30, 2017. The Fund also has a 1 year return of 6.4%.



JETCON



STOCK OF THE DAY: Jetcon Corporation Limited (JETCON)

For the six months ended June 30, 2017:-

Revenue for the six months increased 62% to total \$548.23 million, up \$209.79 million from the \$338.44 million recorded in the prior year. For the quarter the company saw a 52% increase in revenue totalling \$291.92 million compared to (2016:\$192.41)

Costs of Sales amounted to \$438.75 million, an increase of 56% compared to \$280.86 million booked in the corresponding period for 2016. As such, Gross Profit moved from \$109.48 million to \$57.58 million an improvement of approximately 90% year over year.

Total Expenses for the six month increased 44% year over year to \$29.39 million, relative to \$20.41 million. Of this, Selling & Marketing Expenses rose by 84% to \$11.24 million relative to \$6.12 million reported the prior year. Administrative and Other Expenses increased 25%, to \$12.18 million compared to \$9.71 million in June 2016. Other operating cost totalled \$5.90 million compared to the \$4.32 million reported in 2016. Finance Cost totalled \$73,902 compared to \$250,704 reported last year a 71% decline. Total Expenses for the quarter saw a 43% increase however to total \$15.31 million compared to (2015: \$10.72 million).

Consequently, Profit before Taxation improved to a total of \$80.09 million compared to \$37.18 million recorded for the six months of 2016. There were no taxes charged for the period compared to \$4.18 million booked for the corresponding period in 2016. Net Profit after Tax increased 143% to \$80.09 million relative to \$33 million booked for the comparable period in 2016. Net profit for the quarter totalled \$42.71 million compared to \$21.50 million a 99% increase.

Consequently, Earnings Per Share (EPS) for the six months amounted to \$0.14 (2016: \$0.06). The company also has a twelve months trailing Earnings Per Share of \$0.25. The total number of shares used in this calculation were 583,500,000.

Jetcon noted, "Orders for the period after the quarter, are ahead of 2016 by 82 percent, and points to positive outcome for the rest of the year, barring any unfavorable developments. With the strong increase in revenues for the first half of this year, it is not possible to say with any amount of certainty, what the level of growth will be for the second half of the year".

US: Mnuchin Says It's 'Very Hard Not to Give Tax Cuts to the Wealthy

“U.S. Treasury Secretary Steven Mnuchin said in an interview published Wednesday that the Republican tax plan will include breaks for the wealthy, a rhetorical reversal that contradicts President Donald Trump’s promises that the rich won’t enjoy a net tax cut. “The top 20 percent of the people pay 95 percent of the taxes. The top 10 percent of the people pay 81 percent of the taxes,” Mnuchin told Politico. “So when you’re cutting taxes across the board, it’s very hard not to give tax cuts to the wealthy with tax cuts to the middle class. The math, given how much you are collecting, is just hard to do.” The Treasury secretary’s views on how wealthy Americans would fare under tax legislation have evolved over the past year. Last November, he told CNBC that Trump wanted “no absolute tax cut for the upper class,” which prompted Democrats to label that promise the “Mnuchin Rule.” In the ensuing months, Mnuchin softened that promise in public remarks -- in June, he said he had “walked it back.” Trump, however, said as recently as Sept. 14 that his tax plan is “not to benefit the wealthy. This is to benefit the middle class.”

<https://www.bloomberg.com/news/articles/2017-10-18/steven-mnuchin-very-hard-not-to-give-tax-cuts-to-the-wealthy>

EUROPE: Hard Brexit Would Be Catastrophic, Former Irish PM Kenny Says

“A so-called hard Brexit would be “catastrophic,” former Irish Prime Minister Enda Kenny said, criticizing U.K. leaders for failing to consider the impact on Northern Ireland’s peace process. If Britain leaves the EU and its single market, it could leave Northern Ireland with a hard border and bring back “sectarianism and untold problems,” Kenny, who stepped down in June, said Wednesday in an interview in New York. Ireland’s government is considering pushing for guarantees that no border will be reimposed as the price for allowing Brexit talks to move ahead, according to three people familiar with the matter. Violence between republican and unionist paramilitary groups claimed about 3,500 lives from the 1970s onward before the arrival of the European single market and a peace accord in the 1990s, when border controls largely melted away”.

<https://www.bloomberg.com/news/articles/2017-10-18/hard-brexit-would-be-catastrophic-former-irish-pm-kenny-says>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 17, 2017	
	Percentage (%)
Yield to Maturity	4.65
Weighted Average Coupon	5.02
Current Yield	4.99

The platinum portfolio has an effective maturity of 13.56 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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