

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	NCBFG	CPJ	KREMI	JBG	CCC
Current Price (\$)	104.40	3.71	5.98	18.21	28.41
Trailing EPS (\$)	7.80	0.30	0.33	1.69	1.54
P/E (times)	13.39	12.42	18.02	10.76	18.41
Projected P/E	10.58	9.14	16.75	11.78	11.45
Projected EPS (\$)*	9.87	0.41	0.36	1.55	2.48
Book Value per share (\$)	43.14	2.56	1.75	12.22	10.37
Price/Book Value (times)	2.42	1.45	3.42	1.49	2.74
Dividend Yield (2017 YTD %)	1.72%	N/A	N/A	1.92%	N/A
Volumes	66,239	8,813	16,882	77,769	354,168
Recommendation	HOLD	BUY	HOLD	HOLD	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	128.600	100.000	126.7299	140.870	122.000	127.7761
CAN	102.600	72.680	101.5058	113.270	95.500	101.6984
GBP	171.300	121.580	164.8095	173.500	162.100	168.5477
EURO	154.680	119.630	148.0499	164.280	123.850	152.4472

\*Rates as at October 20, 2017

### MONEY MARKET

The Jamaican dollar fixed income market was illiquid in today's (October 23, 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%.

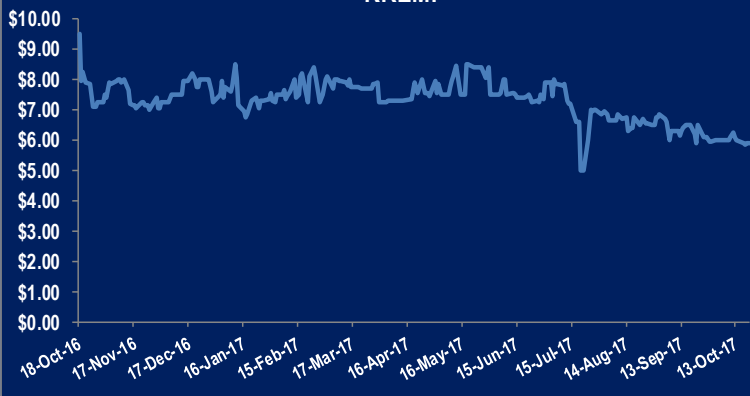
The US dollar fixed income market was also liquid during today's (October 23, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.2% to 1.4%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Pacific Corporate Class

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 9.4% and a 5 year return of 9% as at September 30, 2017. The Fund also has a 1 year return of 9.2%.

KREMI



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

For six months ended August 31, 2017

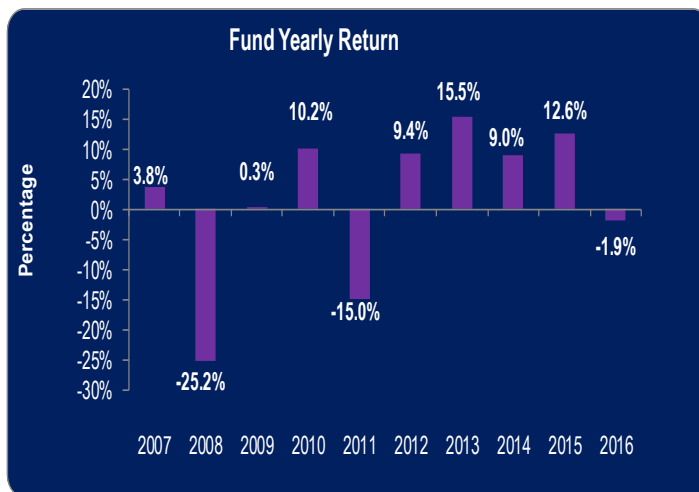
Reported a 9% increase in revenue totaling \$673.26 million compared to \$614.90 million in the corresponding period last year. Revenue for the second quarter rose 18% to close at \$354.17 million compared to \$299.64 million for the comparable quarter of 2016.

Costs of Sales amounted to \$453.14 million (2016: \$360.07 million), an increase of 26%. Management indicated, "the escalation over last year is due to increased costs of foreign exchange, utilities, labour and storage." Nevertheless, Gross Profit fell 14% or \$34.71 million to \$220.12 million compared to \$254.83 million for the period ended August 31, 2016. The company booked gross profit of \$112.77 million for the second quarter versus \$117.05 million reported for the similar quarter of 2016.

Administrative Expenses climbed 10% to close at \$125.43 million (2016: \$113.70 million), while Selling and Distribution Costs slid 4% from \$22.27 million to \$21.42 million. Consequently, operating profit for the six months period amounted to \$74.42 million, down 38% relative to \$120.13 million book in 2016.

Finance Cost rose 28% year over year to amount to \$6.26 million relative to \$4.90 million recorded in the second quarter of 2016. Interest income for the period reflected a marginal decline from \$2.35 million to \$2.34 million for the six months.

No taxes were charged for the period, as such Net Profit Attributable to Shareholders decreased by 40% from \$117.57 million in 2016 to \$70.49 million. Profit for the quarter amounted to \$35.64 million (2016: \$46.40 million), down 23% year over year. According to KREMI, "this impact was primarily a result of the lower gross profit. Overheads were largely in line with expectations." Consequently, Earnings per Share for the period amounted to \$0.19 (2016: \$0.31), while the EPS for the quarter totaled \$0.09 (2016: \$0.12). The trailing twelve months earnings per share amounted to \$0.33. The number of shares used in these calculations were 378,568,115 units.



**US: U.S. Stocks Slip at Start of Big Earnings Week: Markets Wrap**

“U.S. stocks got off to a slow start as investors prepared for a big week of earnings reports and monitored the progress of tax legislation. “Earnings will be center stage, and then tax reform,” Ernie Cecilia, the chief investment officer at Bryn Mawr Trust Co. in Pennsylvania, said by phone. “Those are the two, whatever order you want to put them in.” The S&P 500 Index fell and the Dow Jones Industrial Average gave up earlier gains, while the dollar advanced. Europe’s bonds were broadly stronger as Treasuries steadied. West Texas crude rose after OPEC reported record compliance with pledged production cuts. Gold fell slightly. There’s no shortage of potential catalysts out there for investors this week, from the election in Japan to the boiling Catalonia crisis and very different moves toward autonomy in parts of Italy. Central banks also loom large, with a pivotal European Central Bank meeting due and the possible unveiling of President Donald Trump’s pick for Federal Reserve chair. The president said Monday that he’s “very, very close” to announcing his nominee. The euro weakened as Catalan separatists planned their response to Spain Prime Minister Mariano Rajoy’s moves to stamp his authority on the region.”

<https://www.bloomberg.com/news/articles/2017-10-22/yen-falls-japan-stocks-set-to-gain-on-abe-victory-markets-wrap>

**EUROPE: May Dials Back Hope for Swift Brexit Bridge Sought by Business**

“U.K. Prime Minister Theresa May dialed back expectations that a swift Brexit transition deal can be reached with the European Union, signaling that any arrangement to ease disruption from the divorce would only be agreed on as part of a broader accord. Businesses stepped up their calls Monday for an urgent deal with the EU that would allow them to trade as usual for two years after Brexit. But May signaled that the transition would be part of the wider agreement that isn’t expected to be finalized until shortly before Brexit day in March 2019. “Everybody has always been clear that we are looking to wrap all this up in one single go; everything will be agreed at the same time,” the prime minister’s spokesman, James Slack, told reporters in London. “The point of an implementation period is it’s a bridge to where you’re headed, so you need to know where you’re headed to finalize that implementation period.” Asked by several lawmakers in the House of Commons a few hours later whether that was indeed her position,

<https://www.bloomberg.com/news/articles/2017-10-23/may-signals-brexit-transition-won-t-be-agreed-until-final-deal>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at October 23, 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](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)

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH  
 POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

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