

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	NCBFG	TTECH	DTL	PTL	JP
Current Price (\$)	105.62	7.55	7.00	2.84	15.63
Trailing EPS (\$)	7.80	0.33	0.42	0.08	0.34
P/E (times)	13.55	22.99	16.48	36.52	46.37
Projected P/E	10.71	31.38	7.68	23.58	40.53
Projected EPS (\$)*	9.87	0.24	0.91	0.12	0.39
Book Value per share (\$)	43.14	1.65	3.79	0.44	9.28
Price/Book Value (times)	2.45	4.56	1.85	6.43	1.68
Dividend Yield (2017 YTD %)	1.70%	N/A	N/A	N/A	N/A
Volumes	42,537	9,320	NIL	9,027	24,091
Recommendation	HOLD	SELL	BUY	SELL	SELL

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	130.150	99.510	126.6453	140.070	106.720	127.5745
CAN	102.900	72.230	101.1857	109.530	95.500	101.8569
GBP	171.136	121.650	164.5288	185.720	162.500	168.3044
EURO	148.300	108.000	145.2654	165.830	145.000	150.1632

\*Rates as at October 24, 2017

### MONEY MARKET

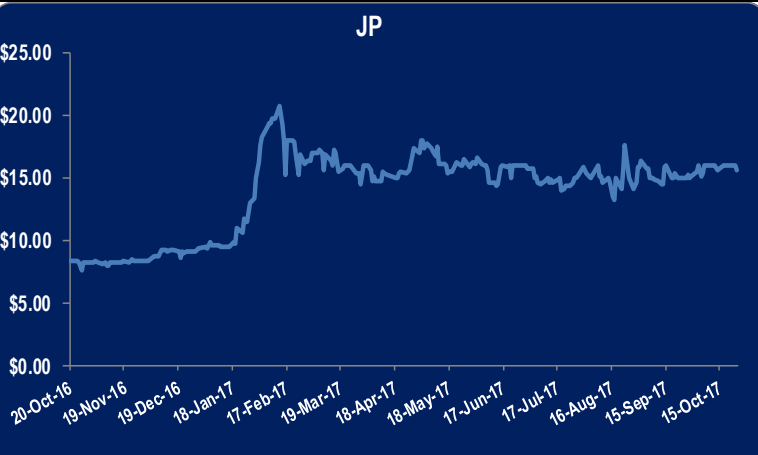
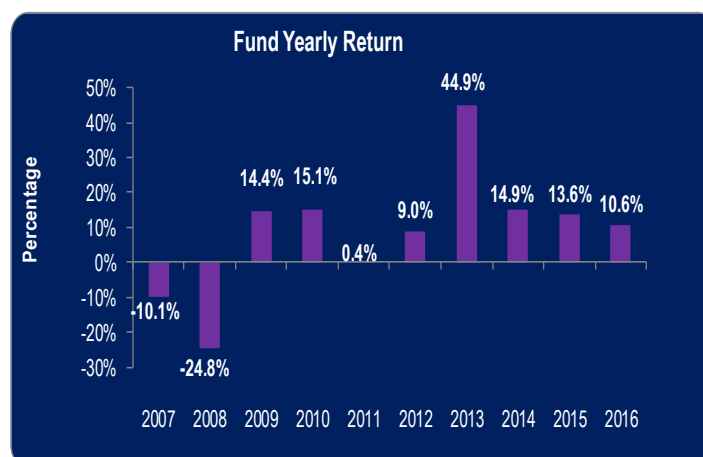
The Jamaican dollar fixed income market was illiquid in today's (October 25, 2017) trading session. The overnight rates were quoted around 2.70% to 3.00% while the 30-day rates were between 2.70% to 3.00%.

The US dollar fixed income market was also liquid during today's (October 25, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.0% to 1.2%.

### 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 11.4% and a 5 year return of 16.6% as at September 30, 2017. The Fund also has a 1 year return of 7.5%.



### STOCK OF THE DAY: Jamaica Producers Group Limited (JP)

For the six months ended June 30, 2017:

For six months ended June 30, 2017, Jamaica Producers Group Limited (JP) experienced a 62% increase in revenue to total \$7.40 billion compared to the \$4.57 billion reported in 2016. The company posted second quarter revenue of \$4 billion a 66% increase (2016: \$2.41 billion).

The Food & Drink Division had a \$14.82 million reduction in revenue to total \$4.04 billion relative to the \$4.06 billion reported in 2016. Logistics and Infrastructure increased \$2.88 billion or 598% year over year to total \$3.36 billion (2016: \$481.47 million). This increase was associated with the addition of Kingston Wharves to the Profit and Loss as a subsidiary.

The Corporate Services division earned \$40.51 million relative to \$32.87 million in 2016, a 23% increase. The cost of sales for the six months increased by 38% to total \$5.08 billion compared to \$3.68 billion reported for the comparable period in 2016. As a result, Gross Profits increased to total \$2.32 billion, a 160% growth on the \$894.09 million documented in 2016. Other income year over year increased from \$69.43 million to \$92.47 million, a 33% increase.

JP's administration, selling and other operating expenses rose 47% to close at \$1.43 billion, this compares to \$975.31 million booked a year earlier. JP also recorded a share of loss in joint venture and associated company of \$2.23 million, relative to a profit of \$362.35 million in the previous year. Finance cost was reported at \$142.04 million for the period relative to the \$94.36 reported in 2016. This resulted in a profit before taxation of \$836.71 million for the period (2016: \$2.81 billion). Of note, the company had recorded a one-off gain on recognition of subsidiary of \$2.46 billion in 2016.

The company incurred tax charges of \$166.48 million (2016: \$74.24 million), resulting in Net Profit for the period declining 75% to \$670.23 million (2016: \$2.64 billion). Notably, net profit attributable to stockholders totaled \$251.04 million; this compared to \$2.71 billion a 349% decline. Net Profit attributable to shareholders for the quarter declined 94% to total \$157.93 million relative to the \$2.60 billion 2016.

Earnings per share for the period amounted to \$0.22 (2016: \$2.41), EPS for the quarter amounted to \$0.14 (2016: \$2.28), while the trailing earnings per share amounted to \$1.32. The number of shares utilized in the computations amounted to 1,122,144,036 units

\*Prices are as at October 25, 2017 \*Projections are for the forward 12 months from the most recent quarter results

**US: Trump Decides Against Gary Cohn for Fed Chair**

“President Donald Trump does not intend to appoint National Economic Council Director Gary Cohn to lead the Federal Reserve, three people familiar with the matter said. Trump said in at least one private meeting last week that Cohn has no chance of being Fed chair, according to a person present for the remarks. Trump has privately told advisers that Cohn is doing a great job in his current role and that he wants to keep him at the White House through congressional consideration of his proposed tax overhaul, according to a person familiar with the conversations. “No decision has been made and no candidate has been ruled out but Gary’s role is too crucial to getting tax reform done,” a senior administration official familiar with the president’s thinking said. It may be “too important for him to continue to be the lead, for him to announce a change at this time.” Cohn is likely to leave the White House soon after Congress disposes with the tax plan, two people said. Cohn declined to comment. Trump has been contemplating a shortlist of potential Fed candidates assembled by his advisers that included the current chair, Janet Yellen, Fed Board Governor Jerome Powell, Stanford University economist John Taylor, and former Fed Governor Kevin Warsh, in addition to Cohn”.

<https://www.bloomberg.com/news/articles/2017-10-25/trump-is-said-to-decide-against-adviser-gary-cohn-for-fed-chair>

**EUROPE: Germany Tightens the Screws on International Funds to Turkey**

“The German government is wielding its influence with international development institutions to restrict financing to Turkey over an escalating political dispute, people familiar with the matter said. Germany is actively working to cut funding to Turkey from the country’s state-owned KfW bank, the European Investment Bank and the European Bank for Reconstruction and Development, according to more than a dozen government and banking officials, who asked not to be identified discussing the behind-the-scenes efforts. Some German commercial banks are also reviewing their exposure to Turkey, the officials said. While none of the institutions or banks have put in place a formal freeze on funding, they’ve all imposed tighter restrictions, the people said. The increased scrutiny affects especially financing for companies seen as being tied to or influenced by the Turkish government, they said”.

<https://www.bloomberg.com/news/articles/2017-10-25/germany-said-to-tighten-screws-on-international-funds-to-turkey-j97b4ymr>

**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 Platinum**

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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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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 = POSITIVE TRANSFORMATION FOR OUR CLIENTS  
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS

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