

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS) +

Stock Symbol	NCBFG	BPOW	MDS	PTL	SGJ
Current Price (\$)	106.25	49.00	5.60	2.91	49.81
Trailing EPS (\$)	7.80	2.18	0.38	0.08	3.83
P/E (times)	13.63	22.53	14.70	37.42	13.01
Projected P/E	10.77	20.42	15.57	24.16	12.41
Projected EPS (\$)*	9.87	2.40	0.36	0.12	4.01
Book Value per share (\$)	43.14	12.56	2.20	0.44	30.54
Price/Book Value (times)	2.46	3.90	2.54	6.58	1.63
Dividend Yield (2017 YTD %)	1.69%	0.39%	0.89%	N/A	2.71%
Volumes	367,951	387	1,471	124,400	139,016
Recommendation	HOLD	SELL	HOLD	SELL	HOLD

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	128.450	99.840	126.5897	139.720	100.000	127.4856
CAN	102.800	71.780	99.8612	165.500	96.000	100.2102
GBP	169.000	121.880	165.9863	183.300	163.000	168.4743
EURO	148.100	108.380	144.9800	166.170	144.800	151.7558

*Rates as at October 26, 2017

MONEY MARKET

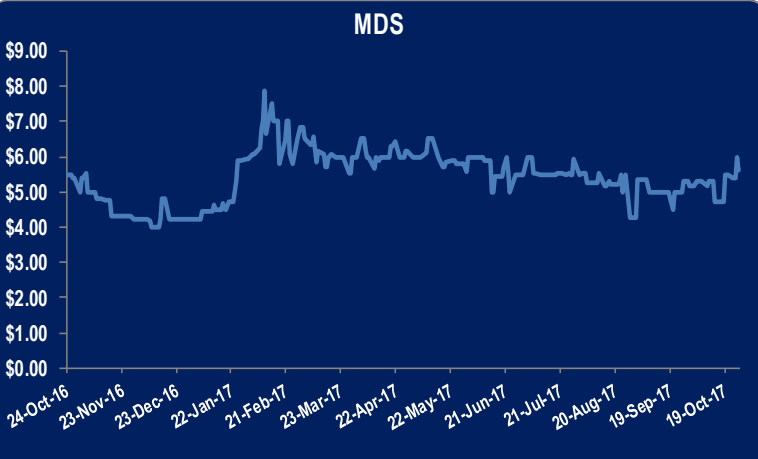
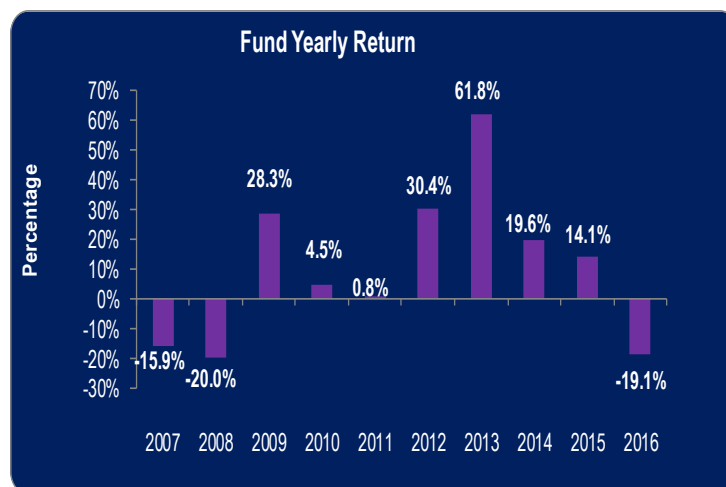
The Jamaican dollar fixed income market was illiquid in today's (October 27, 2017) trading session. The overnight rates were quoted around 2.70% to 3.00% while the 30-day rates were between 4.75% to 5.00%.

The US dollar fixed income market was also liquid during today's (October 27, 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 Global Health Sciences Corporate Class

This fund's objective is to obtain maximum long-term capital growth. It invests primarily in equity and equity-related securities of companies around the world that specialize in the health care or medical industry. The fund has a 3 year return of 3.1% and a 5 year return of 14.7% as at September 30, 2017. The Fund also has a 6 month return of 5.0%.



STOCK OF THE DAY: Medical Disposables & Supplies Limited

For the three months ended June 30, 2017:

Recorded revenues of \$480.59 million, an increase of 13% compared to the \$425.36 million booked in 2016. The increase was due to the, "Company's strategic plan to increase its market share, through increased product offerings and the widening of the customer base in all categories of the Company's business operations." Cost of Sales increased \$51.94 million to total \$378.09 million relative to \$326.15 million in 2016, a 16% increase. As a result, Gross Profit grew by 3% or \$3.30 million to total \$102.50 million in 2017 compared to \$99.21 million in 2016. MDS noted, "this improvement resulted from increased sales arising from the introduction of new business lines."

Total Operating Cost rose 16% to close at \$81.03 million (2016: \$69.87 million). MDS indicated the increase was due mainly to, "staff related expenses, depreciation and amortization, insurance, utilities, and security expenses. Staff related expenses, in particular, increased because of the strategic decision to realign the staff complement and compensation to sustain the current growth, development and expansion of the business." Of total operating costs, Selling and Promotional costs rose by 29% to \$33.01 million relative to \$25.63 million in 2016. Administrative Expenses increased by 10% to close the period at \$41.42 million (2016: \$37.76 million). Other Operating Expenses rose by 7% to close the year at \$689,248 (2016: \$646,265), while Depreciation increased by 1% to close the quarter at \$5.91 million (2016: \$5.84 million).

Operating Profit closed at \$22.56 million relative to \$30.38 million in 2016 this represents a 26% decrease. The company reported Finance Income of \$4,675 for the period, this compares with the \$71,881 million booked for the corresponding period in 2016.

Finance Cost for the quarter amounted to \$8.05 million relative to the \$9 million reported in 2016.

MDS reported Foreign Exchange Gains of \$1.18 million relative to a loss of \$3.60 million in 2016.

Pre-tax profit totalled \$15.70 million, down from the \$17.85 million booked in 2016, a 12% decrease. After taxation of \$30,000, Profit after Tax declined 12% amounting to \$15.67 million compared to \$17.82 million in 2016. Earnings per share for the first quarter amounted \$0.06 (2016: \$0.07), the trailing earnings per share amounted to \$0.38. The number of shares used in the calculation was 263,157,895.

South America: Venezuela State Oil Company Says It Made Vital Bond Payment

“Venezuela’s state-run oil company said it transferred the funds to make an \$842 million principal payment on its bonds due Friday, overcoming the first of many hurdles the country will face in coming days as it seeks to avoid sinking into default. The announcement spread a sense of relief to investors in the bond market, who drove up Venezuelan asset prices across the board Friday. A second big payment is due Nov. 2, and the country’s decision to disburse the cash for today’s payment indicates that it likely intends to meet that one too. But plenty of obstacles remain, including the immediate challenge of ensuring that the cash makes it all the way into the accounts of creditors. In recent weeks, Venezuelan officials told investors that less-critical interest payments have gotten held up in the payment chain because U.S. sanctions on the government scared many international banks into refusing to take part in the cash transfers. “Given logistics and steps needed to get payment to bondholders, I doubt that the money will arrive by the end of today,” said Ray Zucaro, the chief investment officer at Miami-based RVX Asset Management. “Monday is more realistic, and then we will hear a big sigh of relief.” While Petroleos de Venezuela SA said it made the principal payment on amortizing notes due 2020, there was no reference to the \$107 million of interest due at the same time. The company and government have been using grace periods on more than half a billion dollars of such payments due this month, but the principal amount Friday had no such buffer. It’s next big challenge is the additional \$1.2 billion owed on notes maturing next week.

<https://www.bloomberg.com/news/articles/2017-10-27/venezuela-state-oil-company-says-it-made-critical-debt-payment>

EUROPE: Spain's Rajoy Says He Fired Puigdemont, Calls Regional Elections

“Prime Minister Mariano Rajoy wielded emergency powers granted by the Spanish Senate at once on Friday, dismissing the Catalan government and dissolving its parliament, as he sought to restore control of the rebel region. In a televised statement, Rajoy called regional elections for Dec. 21 in a bid to draw a line under weeks of upheaval in the country’s biggest regional economy that saw hundreds of businesses shift their domicile to other parts of Spain to escape the turmoil. He also fired a police chief from the regional force, shut down most of the Catalan government’s diplomatic service and eliminated the offices of president and vice president. Rajoy created a special department in Madrid to oversee the measures. The Catalan Parliament earlier in the day approved a declaration of independence during an improvised plenary session that saw lawmakers depositing their votes in a ballot box as they tried to shield themselves from legal repercussions from the Spanish courts. “They tried to stage a kidnap and steal part of the community from the people,” Rajoy said. “Now it’s about trying to minimize the damage.” Catalonia’s tumultuous push to break away from Spain reached a climax on Friday with opposition lawmakers in the regional legislature accusing the separatists of trampling due process in their rush to proclaim a new state, before walking out in protest. During the final 48 hours, Catalan President Carles Puigdemont had zig-zagged, shaping to trigger elections himself before backing away in the face of an angry backlash from supporters on the streets of Barcelona.”

<https://www.bloomberg.com/news/articles/2017-10-27/spain-s-rajoy-says-he-fired-puigdemont-calls-regional-elections>

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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

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