

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	XFUND	SALF	JAMT	JETCON	DTL
Current Price (\$)	15.20	7.58	4.00	4.56	7.00
Trailing EPS (\$)	1.21	0.86	0.26	0.25	0.42
P/E (times)	12.53	8.80	15.36	18.11	16.48
Projected P/E	12.84	7.49	13.41	14.84	7.68
Projected EPS (\$)*	1.18	1.01	0.30	0.31	0.91
Book Value per share (\$)	9.81	7.58	1.54	0.62	3.79
Price/Book Value (times)	1.55	1.00	2.59	7.38	1.85
Dividend Yield (2017 YTD %)	0.92%	N/A	0.75%	0.51%	N/A
Volumes	17,074	NIL	27,675	47,131	14,000
Recommendation	HOLD	HOLD	HOLD	BUY	BUY

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	128.100	100.010	125.7660	140.070	100.450	126.6374
CAN	103.000	71.630	98.2392	108.960	94.000	100.2076
GBP	168.000	121.500	162.7229	186.300	160.300	166.0249
EURO	147.000	106.880	145.4144	164.450	142.500	147.6555

*Rates as at November 13, 2017

MONEY MARKET

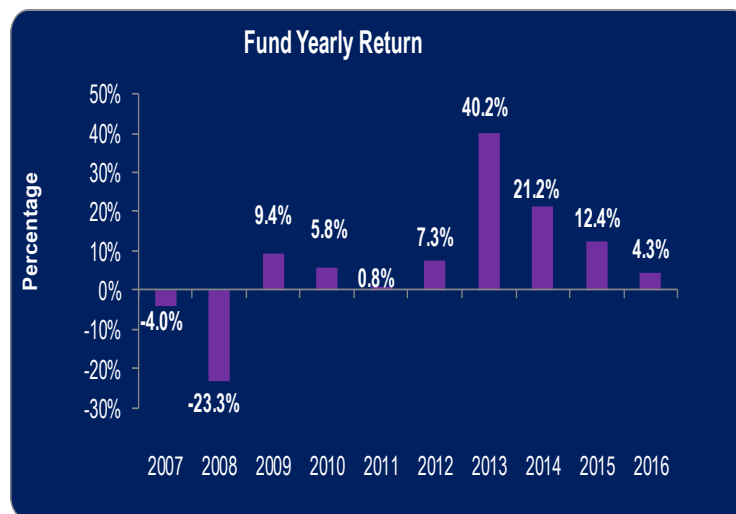
The Jamaican dollar fixed income market was illiquid in today's (November 14, 2017) trading session. The overnight rates were quoted around 2.50% to 2.85% while the 30-day rates were between 4.50% to 4.75%.

The US dollar fixed income market was also liquid during today's (November 14, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.0% to 1.2%.

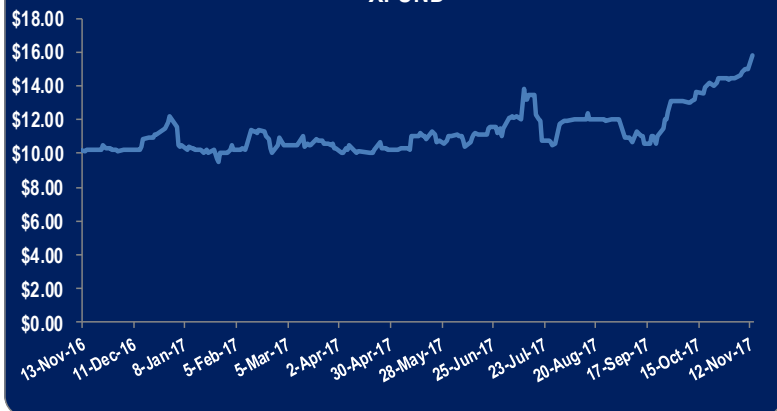
OVER THE COUNTER FUNDS (CI FUNDS)

CI American Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. The fund has a 3 year return of 10.8% and a 5 year return of 16.9% as at October 30, 2017. The Fund also has a 6 month return of 1.0%.



XFUND



STOCK OF THE DAY: Sagcor Real Estate X Fund Limited (XFUND)

For the nine months ended September 30, 2017

Total Revenue for the nine months grew 20% to \$9.97 billion (2016: \$8.30 billion). According to the company the increase in revenue for the period was due to "improved occupancy and room rates over 2016". For the quarter the company's total revenue however increased 54% to close at 4.02 billion (2016: \$2.60 billion).

Hotel revenue for the nine months period increased to \$7.72 billion relative to \$6.73 billion in 2016. Net capital gains on financial assets and liabilities increased by 51% to close at \$2.32 billion (2016: \$1.54 billion). Interest Income declined 38% to close at \$22.09 million (2016: \$35.41 million), while net investment property expense for the period ended September 2017 amounted to \$99.40 million relative to nil in 2016.

Operating Expenses rose 14% to \$7.24 billion (2016: \$6.34 billion), this was attributed to a 12% increase in Hotel Expenses and a 15% increase in Interest Expense. The company indicated that the increase in interest expense was due to "Borrowings to finance the purchase of additional units in the Sigma Portfolio and a 15% investment in real property at the Jewel Grande Montego Bay (formerly known as Palmyra); and additional fixed assets purchased during renovation of the Hilton". Hotel expenses totaled \$5.59 billion compared to \$5.00 billion in 2016, while depreciation for the quarter totaled \$516.11 million (2016: \$358.21 million). Interest expense for the period closed at \$1.10 billion relative to \$956.16 million in 2016. Other operating expenses increased 52% to close the quarter at \$28.44 million relative to \$18.67 million for the comparable period in 2016.

Consequently, Profit before Tax increased 39% to \$2.73 billion (2016: \$1.97 billion) for the nine months. Following tax charges of \$367.26 million (2016: \$279.99 million), Net Profit increased 40% to \$2.36 billion, up from \$1.69 billion for the comparable period in 2016. For the third quarter Net Profit increased 181% to close at \$1.58 billion (2016: \$561.47 million).

The earnings per share (EPS) for the nine months closed at \$1.05 (2016: \$0.75), while EPS for the quarter amounted to \$0.70 (2016: \$0.25). The trailing twelve-month EPS is \$1.21. The number of shares used in our calculations was 2,243,005,125.

Total Comprehensive Income for the period amounted to \$3.46 billion compared to \$5.05 billion in 2016. This was due to a Gain of Remeasurements of post-employment benefit obligations of \$917.26 million relative to a loss of \$914.70 million in 2017.

US: Sessions Says He Forgot About Russia Meeting But Didn't Lie

“Attorney General Jeff Sessions denied he lied or misled Congress about contacts with Russia by people involved in Donald Trump’s presidential campaign, saying he simply forgot about a meeting that’s emerged in the probe by Special Counsel Robert Mueller. “I will not accept and reject accusations that I have ever lied,” Sessions told the House Judiciary Committee Tuesday. “I have always told the truth, and I have answered every question as I understood them and to the best of my recollection.” Democrats have questioned the attorney general’s credibility ever since he said in sworn testimony at his Senate confirmation hearing in January that he “wasn’t aware” that anyone in Trump’s campaign made contact with Russians. Their criticism deepened after Mueller, who is investigating Russian meddling in the campaign, filed court documents last month about a meeting Sessions attended in March 2016. At the meeting, George Papadopoulos, an unpaid adviser, boasted of his Russian connections and said he could help arrange a meeting between Trump and Russian President Vladimir Putin.”

<https://www.bloomberg.com/news/articles/2017-11-14/sessions-says-he-s-never-lied-about-russia-trump-connections>

EUROPE: The ECB Needs an Inflation Plan, Just in Case

“Nearly three weeks after the European Central Bank halved the pace of its monetary stimulus to the euro zone economy, something strange is happening in the sovereign debt market. Even as the ECB takes a little step back from quantitative easing, investors are continuing to pile into government bonds, particularly from some countries that were most affected by the crisis. The risk is that markets may be in for a rude awakening. The cases of Italy, Spain and Portugal best represent this trend. The Italian 10-year bond yield has fallen by 20 basis points to 1.82 percent since the ECB announcement. The interest rates on similarly dated Portuguese and Spanish debt have decreased, respectively, by 30 and 11 basis points, to 1.95 percent and 1.52 percent. True, the ECB has extended purchases to September, and has left it open what it intends to do next. Even then, however, this does not look like the reaction to a monetary tightening. Last week, in an interview in Rome, I asked Vitor Constancio, the ECB vice president, what he made of the reaction to the bank’s tapering announcement. He first interpreted this as a sign of confidence in the euro zone economy.”Everyone is now expecting that growth will continue,” Constancio told me. “Only an extraordinary international event could derail the continuation of the current significant growth path. That changes prospects for everything, and it perhaps provides an explanation for why markets reacted the way they did.” “

<https://www.bloomberg.com/view/articles/2017-11-14/the-ecb-needs-an-inflation-plan-just-in-case>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at November 13, 2017	
	Percentage (%)
Yield to Maturity	4.68
Weighted Average Coupon	4.95
Current Yield	4.89

The platinum portfolio has an effective maturity of 15.30 years and duration of 4.86years.

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.

DISCLAIMER

Analyst Certification -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

Company Disclosure -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein . In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

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

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

...BULLISH ON JAMAICA



MAYBERRY INVESTMENTS LIMITED
 A Member of the Jamaica Stock Exchange

1 ½ Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9
 research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com