

DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	CPJ	CAR	MDS	AMG	NCBFG
Current Price (\$)	4.00	10.81	4.95	2.90	99.85
Trailing EPS (\$)	0.38	0.78	0.38	0.07	7.75
P/E (times)	10.45	13.84	13.00	40.54	12.89
Projected P/E	10.02	13.24	13.36	34.82	10.74
Projected EPS (\$)*	0.40	0.82	0.37	0.08	9.30
Book Value per share (\$)	2.64	0.42	2.26	0.95	47.02
Price/Book Value (times)	1.52	25.57	2.19	3.06	2.12
Dividend Yield (2017 YTD %)	1.50%	7.03%	1.01%	2.90%	2.40%
Volumes	NIL	39,108	NIL	20,000	102,237
Recommendation	HOLD	BUY	HOLD	SELL	HOLD

CPJ



STOCK OF THE DAY: Caribbean Producers Jamaica Limited (CPJ)

CPJ Three months ending September 30, 2017

Caribbean Producers Jamaica Limited (CPJ) in United States dollars (except where it is indicated otherwise):

Revenues grew 15% year on year, to close the period at \$24.30 million compared to the \$21.05 million for the same period last year. According to the company "the increase was primarily driven by the growth in sales of our offshore subsidiary and targeted product categories in the local market."

Cost of goods sold showed an 14% increase, closing the period at \$17.76 million relative to \$15.56 million for the same period last year.

Gross profits for the period increased by 19% and closed out the period at \$6.55 million relative to \$5.49 million in 2016.

Selling and distribution expenses were \$5.02 million a 7% increase on the \$4.67 million posted last year. According to the company "this was mainly due to the administrative costs relating to upgrade and strengthening of the IT infrastructure."

Depreciation for the period declined by 8% closing the period at \$607,235 (2016: \$659,759) CPJ highlighted that this increase was "relating to the capital and operating assets of the company."

Other operating income totaled \$13,407 this compares with the operating expenses of \$14,671 booked a year ago.

Profit before finance costs, income and taxation increased 546% to total \$936,112 relative to \$145,018 in 2016.

Finance costs amounted to \$427,876 (2016: \$461,200), a 7% decline. As such profit before taxation was \$508,346 compared to a loss of \$315,650 in 2016. Profit attributable to shareholders for the period amounted to \$408,491 this compares with the net loss attributable to shareholders of \$277,765 booked last year.

As a result, profit per share for the period amounted to US\$0.037 cents compared to LPS of US\$0.025 cents, while the twelve-month trailing EPS totaled US\$0.29 cents. The stock price as at November 14, 2017 was JMD\$3.85. The number of shares used in our calculations amounted to 1,100,000,000 units.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	139.000	100.010	124.6767	135.250	100.010	125.7018
CAN	100.700	70.310	97.3040	107.810	93.500	97.9295
GBP	169.750	121.500	163.8308	187.450	162.300	168.1258
EURO	146.150	106.880	141.9873	163.870	143.700	149.7402

*Rates as at December 11, 2017

MONEY MARKET

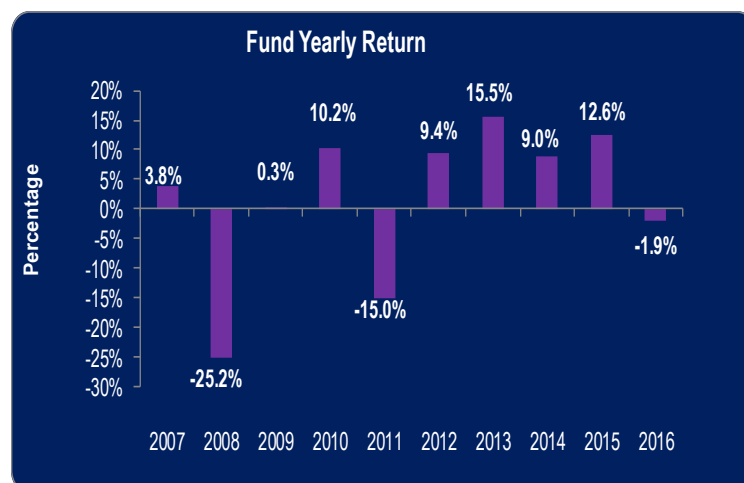
The Jamaican dollar fixed income market was liquid in today's (December 12, 2017) trading session. The overnight rates were quoted around 2.50% to 2.85% while the 30-day rates were between 3.85% to 4.00%.

The US dollar fixed income market was also liquid during today's (December 12, 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 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 9.3% and a 5 year return of 11.0% as at November 30, 2017. The Fund also has a 3 month return of 5.4%.



US: What Hedge Funds Will Do After the Hedge Fund Model Dies

"That's the rather simple strategy that built the \$3.2 trillion industry — the once-durable buying long when you figure an equity will go up and selling short when you reckon the opposite — and that basically put the "hedge" in hedge fund. These days it's unreliable, at best. The techniques of the future? Think niche, like litigation finance or private debt and equity, from Deere & Co. tractor dealerships to a banana plantation in Costa Rica. There are any number of reasons trotted out for long-short's fallibility: little volatility, low interest rates, so much passive investing in stocks by the likes of Vanguard Group and BlackRock Inc., too many quantitative funds in the business. What's more, the number of publicly traded companies in the U.S. is, at about 3,700, half what it was in 1996. The explanations aren't just excuses. Low rates mean funds earn nothing on the cash produced when they sell a stock short. Passive investing and quants tend to push troubled companies higher. "The one strategy that is facing an existential question is long-short equity," Ted Seides, former head of hedge fund investor Protégé Partners, said recently at an investor conference at the University of Virginia's Darden School of Business in Charlottesville. Most everyone agrees the question will remain, at least until the almost nine-year bull market comes crashing down. Only then will it be clear whether stock hedge-fund managers can protect capital, or even make money."

<https://www.bloomberg.com/news/articles/2017-12-12/what-hedge-funds-will-do-after-the-hedge-fund-model-dies>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 11, 2017	
	Percentage (%)
Yield to Maturity	4.70
Weighted Average Coupon	4.966
Current Yield	4.91

The platinum portfolio has an effective maturity of 15.39 years and duration of 4.88 years.

DISCLAIMER

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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

Europe: EU Warns U.K. on Brexit Reneging in 'Furious Race Against Time'

"The European Union warned the U.K. against rowing back on the agreements it made last week as leaders prepare to hand Britain its first reward in the Brexit negotiations. Michel Barnier, the EU's chief Brexit negotiator, said the bloc was on alert against the U.K. trying to unpick the deal Prime Minister Theresa May struck on Friday on the first phase of negotiations. Still, Europe's leaders are planning to hand Britain the carrot of future-relationship discussions when they hold a summit later this week. "We will be vigilant; we will not accept any backtracking from the U.K.," Barnier told reporters in Brussels on Tuesday. "I would recommend everyone remains cautious." The U.K.'s breakthrough last week paves the way for another intense period of diplomacy over the next three months. The EU expects to have its offer of a possible two-year transition period ready to present to the U.K. by the end of January, and is prepared to start talking about the future trade partnership by the end of March. Barnier's warning capped three days of uncertainty over whether the British government considered last week's deal -- on Britain's financial settlement valued at around 45 billion euros (\$53 billion), the Irish border and the protection of citizens' rights -- as legally binding, or whether it thinks it's dependent on getting a satisfactory trade arrangement."

<https://www.bloomberg.com/news/articles/2017-12-12/eu-s-barnier-warns-u-k-against-backtracking-on-brexit-agreement>

STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

OVER 20 YEARS
OF EXPERIENCE

CUTTING EDGE
MARKET RESEARCH

POSITIVE TRANSFORMATION
FOR OUR CLIENTS

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GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS



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ON JAMAICA



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