

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	SGJ	SALF	SEP	TTECH	SJ
Current Price (\$)	51.00	9.87	27.00	5.50	35.95
Trailing EPS (\$)	3.91	0.67	1.29	0.29	3.31
P/E (times)	13.03	14.73	20.95	18.79	10.85
Projected P/E	12.02	10.22	15.35	21.30	9.89
Projected EPS (\$)*	4.24	0.97	1.76	0.26	3.64
Book Value per share (\$)	32.92	7.72	20.15	1.68	15.32
Price/Book Value (times)	1.55	1.28	1.34	3.28	2.35
Dividend Yield (2017 YTD %)	3.59%	5.07%	1.30%	N/A	3.56%
Volumes	25,560	5,450	NIL	NIL	52,540
Recommendation	HOLD	HOLD	HOLD	SELL	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	135.250	100.010	124.7726	135.250	120.000	125.7346
CAN	99.240	72.930	97.4388	107.520	93.000	97.8161
GBP	169.000	121.650	163.8562	186.650	161.800	166.8346
EURO	147.723	106.130	145.8930	164.450	141.600	146.9851

\*Rates as at December 12, 2017

### MONEY MARKET

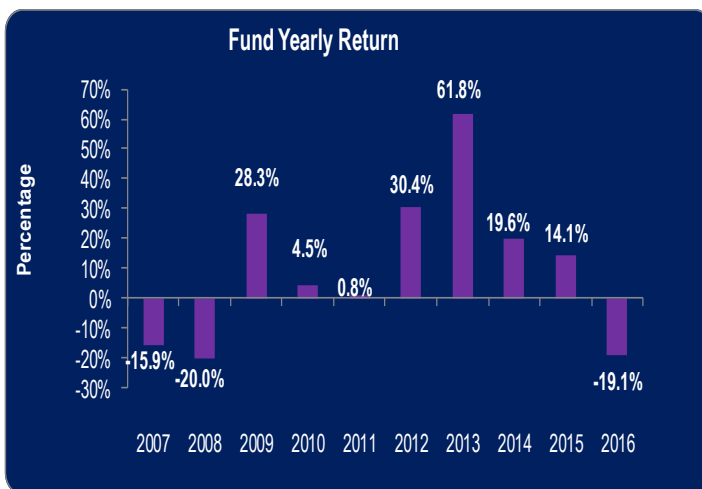
The Jamaican dollar fixed income market was liquid in today's (December 13, 2017) trading session. The overnight rates were quoted around 2.50% to 2.85% while the 30-day rates were between 3.75% to 4.00%.

The US dollar fixed income market was also liquid during today's (December 13, 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 1.1% and a 5 year return of 14.5% as at November 30, 2017. The Fund also has a 3 month return of 1.7%.



### SEP



### STOCK OF THE DAY: Seprod Limited (SEP)

For the Nine Months as at September 30, 2017:

Revenue totalled \$12.14 billion compared to the \$11.10 billion recorded for the same period of the prior financial year; this represents a 9% increase year over year. Revenue for the quarter totalled \$3.77 billion a 8% increase relative to \$3.50 billion the prior year.

Cost of Sales rose by 5% from \$8.72 billion to \$9.19 billion. Consequently, Gross Profits increased 24% to close at \$2.95 billion (2016: \$2.38 billion).

Finance and Other Income for the period totalled \$639.59 million relative to \$874.76 million in 2016 a 27% decline year over year.

Selling expenses increased by 14% increase to close the nine months at \$558.23 million (2016: \$488.10 million). Administrative Expenses for the period increased by 42% to total \$1.82 billion (2016: \$1.28 billion). As such, Operating Profit declined by 19%, to total \$1.21 billion (2016: \$1.49 billion). Operating profit for the quarter increased 18% to close at \$364.48 million relative to \$309.26 million booked for the prior year's corresponding quarter.

Finance Costs totalled \$252.46 million; an increase of 7% compared \$235.84 million in 2016. The company reported a loss of results of from associated costs totalling \$67.07 million relative to a loss of \$740,000 reported in 2016. Pre-tax Profits declined 29% to \$892.25 million in comparison to profits of \$1.25 billion last year. Taxation of \$309.45 million was booked for the period relative to \$308.37 million in 2016. As such, Net Profit for the period totalled \$582.79 million (2016: \$942.72 million), while for the quarter profit amounted to \$120.95 million (2016: \$126.95 million).

The company reported Net Profit attributable to shareholders of \$725.15 million, a decline of 33% relative to last year (2016: \$1.08 billion). For the quarter net profit attributable to shareholders totaled \$194.16 million, relative to the \$185.64 million reported in 2016 a 5% increase. Additionally, Seprod reported Total Comprehensive Income of \$738.93 million relative to \$1.20 billion reported in the corresponding 2016 period. Earnings Per Share for the nine months ended September 30, 2017 amounted to \$1.40 relative to \$2.09 for the corresponding period in 2016. The Earnings per share for the quarter was reported at \$0.38 relative to \$0.36 reported in 2016. The twelve months trailing EPS is \$1.43.

**US: Fed Raises Rates While Keeping Three-Hike Outlook for 2018**

“Federal Reserve officials followed through on an expected interest-rate increase and raised their forecast for economic growth in 2018, even as they stuck with a projection for three hikes in the coming year. “Averaging through hurricane-related fluctuations, job gains have been solid, and the unemployment rate declined further,” the Federal Open Market Committee said in a statement Wednesday following a two-day meeting in Washington. Inflation will remain below the Fed’s 2 percent goal in the near term but “stabilize” around the target in the medium term, the central bank said. In a key change to the statement, the Fed omitted prior language saying it expected the labor market would strengthen further. Instead, Wednesday’s missive said monetary policy would help the labor market “remain strong.” That suggests Fed officials expect improvement in the job market to slow. The yield on 10-year U.S. Treasury notes was little changed after the Fed announcement, as was the Bloomberg Dollar Spot Index. The 7-2 vote for the rate move, the Fed’s third this year, raises the benchmark lending rate by a quarter percentage point to a target range of 1.25 percent to 1.5 percent. Adding to policy tightening, the Fed also confirmed that monthly roll-offs from the central bank’s balance sheet would step up, as scheduled, to \$20 billion from \$10 billion beginning in January.”

<https://www.bloomberg.com/news/articles/2017-12-13/fed-raises-rates-while-sticking-to-three-hike-outlook-for-2018>

**Europe: EU Draws Brexit Battle Lines for Banks**

“The U.K.’s breakthrough deal to get Brexit talks moving on to the future trading relationship may be short-lived. That’s because the European Union negotiators preparing for the next stage of talks are drawing battle lines that will see them offer London’s financial services industry inferior access, if any at all, once the post-Brexit transition period ends, according to EU and national government officials involved in the preparatory work. What’s more, the EU will reject calls for a “Canada Plus, Plus, Plus” arrangement that would include free movement of both goods and services, the officials said. And while some in the U.K. still hope to have a relationship that’s virtually identical to the one now, most in the bloc aren’t prepared to grant any rights to the U.K.’s financial giants other than allow them a presence on EU soil -- under EU supervision. The end of business as usual for the City of London could deal a blow to the U.K.’s services-dependent economy, and to the continent, potentially increasing the cost of capital and fragmenting capital markets. The U.K.’s best hope might lie in EU discord over the future relationship. Even as the consensus view is that a non-member should no longer enjoy the same benefits, differences are likely to emerge during the talks as countries like the Netherlands want to stick as close as possible to the status quo, while others, including France, insist on a clear separation.”

<https://www.bloomberg.com/news/articles/2017-12-13/eu-draws-battle-lines-for-banks-as-brexit-moves-to-next-stage>

**PLATINUM PORTFOLIO**

**Platinum Portfolio Yield Measures as at December 11, 2017**

	Percentage (%)
<b>Yield to Maturity</b>	4.70
<b>Weighted Average Coupon</b>	4.966
<b>Current Yield</b>	4.91

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

**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.

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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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