

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	ISP	LASM	PJAM	NCBFG	JMMBGL
Current Price (\$)	12.08	3.46	38.76	99.61	24.46
Trailing EPS (\$)	0.46	0.11	3.86	7.75	1.82
P/E (times)	26.21	30.94	10.03	12.86	13.46
Projected P/E	22.02	23.82	9.12	10.71	13.20
Projected EPS (\$)*	0.55	0.15	4.25	9.30	1.85
Book Value per share (\$)	2.52	1.14	26.91	47.02	17.37
Price/Book Value (times)	4.79	3.05	1.44	2.12	1.41
Dividend Yield (2017 %)	N/A	N/A	2.71%	2.41%	1.76%
Volumes	0	103,187	17,275	69,739	35,034
Recommendation	SELL	SELL	HOLD	HOLD	HOLD

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

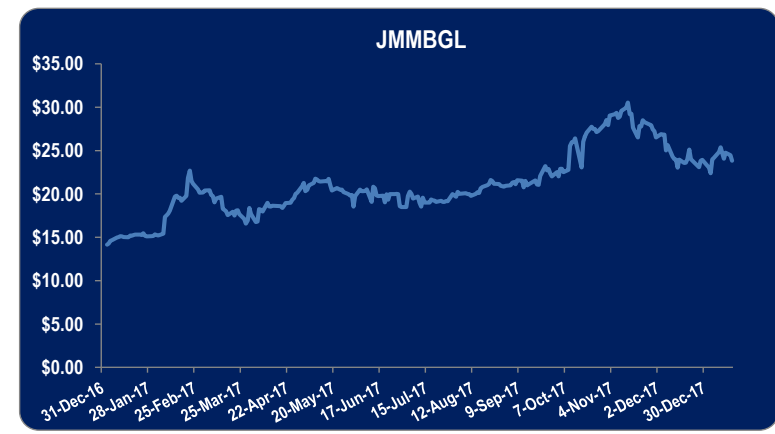
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	125.500	100.010	123.3324	133.800	100.010	124.9571
CAN	102.500	74.880	96.5370	110.910	92.000	99.9366
GBP	172.500	124.650	166.9351	191.710	160.000	169.2807
EURO	153.000	110.250	145.8083	170.140	145.750	151.7618

\*Rates as at January 16, 2018

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 17, 2017) trading session. The overnight rates were quoted around 2.20% to 2.50% while the 30-day rates were between 3.70% to 4.00%.

The US dollar fixed income market was also liquid during today's (January 17, 2017) trading session; The overnight market rates were quoted at 1% while the 30-day market rates stood around 1.0% to 1.2%.



### STOCK OF THE DAY: Jamaica Money Market Broker Ltd

#### For the six months ended September 30, 2017:

Net interest income totaled \$3.76 billion compared to \$3.26 billion in 2016, an increase of 15%. This as interest income grew by 8% to close at \$7.83 billion, from the \$7.26 billion booked in 2016, while interest expenses increased by 2% to total \$4.07 billion relative to \$4 billion in the prior year. Net interest income for the quarter amounted to \$1.85 billion versus \$1.71 billion book for the corresponding quarter of 2016.

Fees and commission income amounted to \$797.10 million, an improvement of 44% on the \$554.29 million last year. Foreign exchange margins from cambio trading recorded a decrease of 21% year over year to close at \$544.70 million (2016: \$689.34 million) while net gains from securities trading showed a decrease of 6% totaling \$3.01 billion (2016: \$3.19 billion). Other income for the period totaled \$56.63 million a 588% growth relative to \$8.23 million. Dividend income for the six months declined 27% to close at \$12.81 million relative to \$17.58 million.

Operating expenses amounted to \$5.83 billion, a growth of 15% (2016: \$5.08 billion) which led to an operating profit of \$2.35 billion, a decrease when compared to the \$2.64 billion booked the year prior.

Following taxes of \$680.94 million (2016: \$610.69 million), JMMBGL booked an 18% contraction in net profit to \$1.67 billion compared to \$2.03 billion reported for the similar period of 2016.

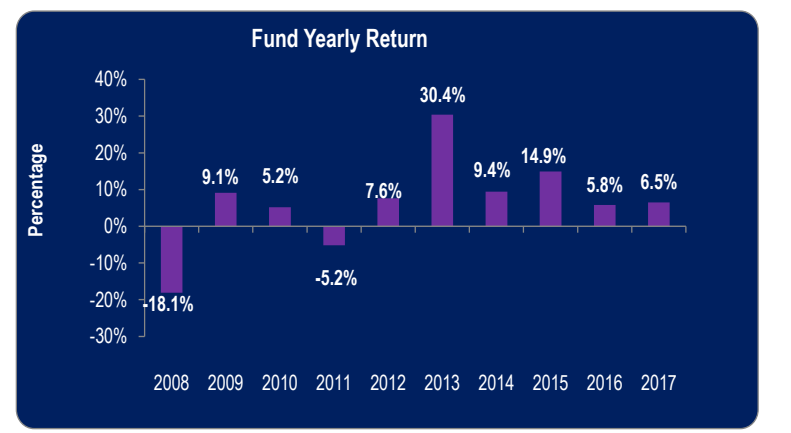
Net profit attributable to the shareholders of the company totaled \$1.67 billion relative to \$2.02 billion in 2016, an 17% decline year over year. For the second quarter, JMMBGL booked net profit attributable to shareholders of \$1.06 billion relative to \$1.43 billion reported for the corresponding quarter of 2016.

As a result, earnings per share (EPS) for the six months amounted to \$1.03 (2016: \$1.24) while EPS for the quarter amounted to \$0.658 (2016: \$0.88). The twelve month trailing EPS amounted to \$1.82 where the number of shares used in the calculations amounted to 1,630,552,530 units. Notably, JMMBGL's stock price closed trading on November 14, 2017 at \$29.26.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI Global Value Corporate Class

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund has a 3 year return of 9% and a 5 year return of 13.1% as at December 31, 2017. The Fund also has a 3 month return of 2.4%.



\*Prices are as at January 17, 2018 \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: Mining, demand for heating power U.S. industrial production**

U.S. industrial production increased more than expected in December as unseasonably cold weather at the end of the month boosted demand for heating, but manufacturing output barely rose, pointing to moderate growth in the industrial sector. Strong demand for utilities reported by the Federal Reserve on Wednesday bolstered expectations of an acceleration in consumer spending in the fourth quarter, prompting some economists to bump up their economic growth estimates for the October-December period. The Fed said industrial output surged 0.9 percent last month also buoyed by robust gains in mining production, after slipping 0.1 percent in November. Economists polled by Reuters had forecast industrial production advancing 0.4 percent in December. It rose at an annual rate of 8.2 percent in the fourth quarter, the biggest gain since the second quarter of 2010. For all of 2017, industrial output rose 1.8 percent, the first and largest increase since 2014. The data was seen supportive of an interest rate increase in March from the Fed. Manufacturing output, which accounts for more than 70 percent of industrial production, gained only 0.1 percent in December. Data for October and November was, however, revised to show factory output rising 1.5 percent and 0.3 percent respectively instead of the previously reported 1.4 percent and 0.2 percent. Manufacturing output last month was held back by a 1.5 percent drop in the production of primary metals. Motor vehicle and parts production increased 2.0 percent.

<https://www.reuters.com/article/us-usa-economy-output/mining-demand-for-heating-power-u-s-industrial-production-idUSKBN1F61SZ>

**Europe: Euro dips from three-year peak on policymakers' comments, bitcoin sinks**

The euro slipped on Wednesday, pulling back from a three-year high above \$1.23 as some European Central Bank officials voiced worries about the currency's strength. The euro's decline helped stabilize the greenback, which was also supported by a weaker Canadian dollar after the Bank of Canada struck a cautious tone on an expected rate hike on Wednesday. The outlook for the dollar, however, remains dour on the view that other central banks besides the Federal Reserve are moving away from the ultra low-rate stance and unconventional tools they adopted after the 2008 global credit crisis. The euro was down 0.16 percent at \$1.2239 after hitting a three-year peak versus the greenback at \$1.2322, Reuters data showed. Digital currencies suffered another day of heavy losses on worries about a widening regulatory crackdown. Bitcoin BTC=BTSP fell more than 10 percent to below \$10,000 for the first time since Dec. 1 on the Luxembourg-based Bitstamp exchange. The biggest digital currency has lost half its value since it peaked near \$20,000 about a month ago. The speed of the euro's rise in early 2018 - up more than 3 percent in the last two weeks - has prompted comments from ECB officials, highlighting growing concerns, according to analysts. ECB policymaker Ewald Nowotny told reporters on Wednesday the euro's recent strength against the dollar is "not helpful," which encouraged a bout of profit-taking before a policy meeting next week.

<https://www.reuters.com/article/uk-global-forex/euro-dips-from-three-year-peak-on-policymakers-comments-bitcoin-sinks-idUSKBN1F6063>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at January 12, 2018	
	Percentage (%)
Yield to Maturity	4.89
Weighted Average Coupon	4.928
Current Yield	4.89

The platinum portfolio has an effective maturity of 21.06 years and duration of 5.07 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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**MAYBERRY INVESTMENTS LIMITED**  
 A Member of the Jamaica Stock Exchange

1 1/2 Oxford Road, Kingston 5, Jamaica. (876) 929 1908 - 9  
 research@mayberryinv.com sales@mayberryinv.com www.mayberryinv.com