

DAILY MARKET SUMMARY



LOCAL STOCK MARKET: (JS) +

Stock Symbol	CFF	CCC	CAR	JSE	KW
Current Price (\$)	11.00	32.57	11.36	6.99	32.72
Trailing EPS (\$)	0.90	2.52	0.78	0.24	1.12
P/E (times)	12.26	12.94	14.54	28.68	29.09
Projected P/E	12.88	12.65	13.92	19.98	27.22
Projected EPS (\$)*	0.85	2.57	0.82	0.35	1.20
Book Value per share (\$)	3.58	11.31	0.42	1.34	13.61
Price/Book Value (times)	3.07	2.88	26.87	5.22	2.40
Dividend Yield (2018 %)	N/A	N/A	N/A	N/A	N/A
Volumes	NIL	6,925	144,663	1,529	100
Recommendation	HOLD	HOLD	BUY	SELL	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

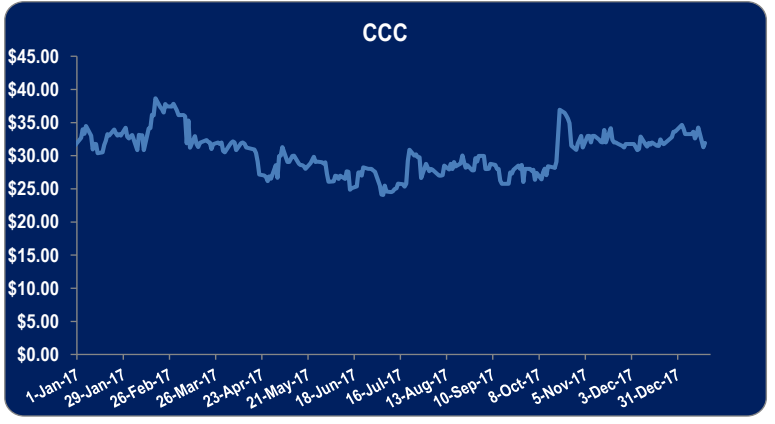
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	127.700	100.010	123.7316	134.020	115.000	125.0535
CAN	101.000	72.000	98.5783	110.740	89.100	100.1962
GBP	175.000	126.000	169.7314	193.790	160.000	172.3400
EURO	153.500	110.250	145.7997	170.490	142.000	153.0415

*Rates as at January 23, 2018

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (January 24, 2017) trading session. The overnight rates were quoted around 2% to 2.3% while the 30-day rates were between 3.5% to 3.75%.

The US dollar fixed income market was also liquid during today's (January 24, 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: Caribbean Cement Company Ltd (CCC)

For the nine months Ended September 30, 2017:

Total revenue for the nine months grew by 2% amounting to \$12.26 billion, up from \$11.98 billion reported a year ago. For the three months ended September 2017 the company saw a 14% increase in revenue closing at \$4.18 billion relative to the \$3.70 billion in 2016.

Earnings before interest, tax, depreciation & amortization (EBITDA) amounted to \$2.43 billion, a decline of 2% relative to \$2.47 billion for the prior year's corresponding period. For the quarter CCC reported EBITDA of \$966.28 million, \$871.40 million more than that reported in 2016 (2016: \$94.88 million).

Depreciation and amortization closed at \$400.23 million (2016: \$359.03 million). CCC reported Stock Holder and inventory restructuring gain of \$30.42 million compared to a cost of \$406.45 million in 2016. CCC also reported zero Manpower Restructuring Cost in 2017 compared to \$407.25 million in 2016.

Interest Income amounted to \$1.92 million for the period compared to \$1.60 million for the corresponding period in 2016 a 20% increase.

Furthermore, the company reported a \$4.40 million Finance Credit compared to a \$37.86 million Finance Cost reported in 2016.

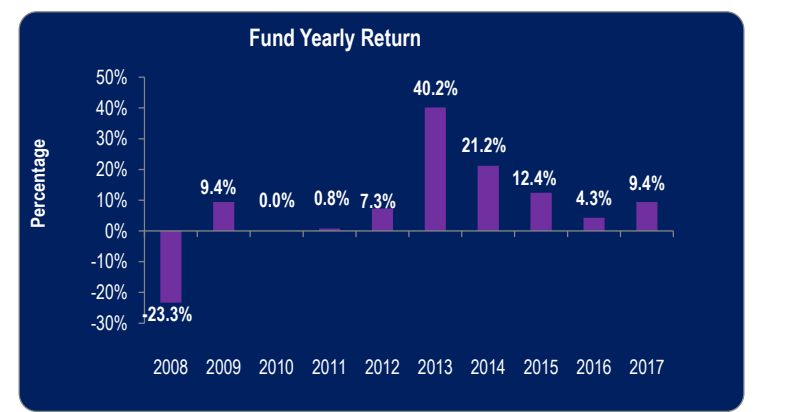
Profit before taxation totaled \$2.07 billion, this compares with profit of \$1.26 billion recorded last year. Net profit for the year closed at \$1.81 billion relative to net profit of \$973.36 million during the corresponding period in 2016, an increase of 86%. For the quarter the company reported Net Profit of \$747.88 million relative to a net loss of \$81.12 million.

Consequently, earnings per share (EPS) amounted to \$2.13 (2016: \$1.14), while the EPS for the quarter was \$0.88 (2016: Loss per share of \$0.10). The twelve months trailing EPS is \$2.52. The number of shares used in this calculation was 851,136,591 shares.

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. Any change to the investment objective must be approved by a majority of votes cast at a meeting of shareholders held for that reason. The fund has a 3 year return of 8.7% and a 5 year return of 16.9% as at December 31, 2017. The Fund also has a 3 month return of 5.8%.



*Prices are as at January 24, 2018 *Projections are for the forward 12 months from the most recent quarter results

U.S.: The Strong Dollar

For decades, the U.S. stood out as the one nation that traditionally preferred its money superpower-strong. Investors flocked to it, enabling the U.S. to borrow lots of money at low interest rates. American consumers feasted on it, buying imported goodies for less. U.S. politicians touted it as evidence of the economy's eternal dynamism. But under President Donald Trump's "America First" manifesto, the so-called strong-dollar policy is undergoing a rethink. As other countries drove their currencies down, the strong dollar cramped U.S. exports and hurt American multinational companies' earnings. It held U.S. inflation at levels considered too low. For the rest of the world, danger lurked in dollar-denominated debt sold in emerging markets like Brazil and India; the stronger dollar made those bonds harder to repay. With so many negative consequences, the question now is whether the strong-dollar dogma is becoming a relic, or is just in hiatus? The dollar steadily declined against the world's major currencies during Trump's first year in office. In January 2018, it fell to its lowest level in three years. Steven Mnuchin, the U.S. Treasury secretary, openly acknowledged that a weaker dollar was good for U.S. trade. While saying he preferred a strong dollar over the long term, Mnuchin appeared to break with decades of strong-dollar allegiance, though a U.S. official denied that was his intent.

<https://www.bloomberg.com/quicktake/almighty-dollar>

Europe: Twin Inflation Tales Reinforce Diverging Paths for Dollar, Euro

Market-derived inflation expectations are climbing on both sides of the Atlantic -- but the strong euro and the weak dollar underscore diverging economic paths that suggest the greenback's losing streak may gather more pace. The shared currency climbed to a three-year high against its U.S. counterpart Wednesday, spurred by strong manufacturing data across the region, which affirmed hopes of a benign increase in price pressures consistent with consumer demand and wage increases. The greenback, for its part, fell to a three-year low against its major peers after Treasury Secretary Steven Mnuchin endorsed its decline as a fillip for U.S. trade. The contrasting currency fortunes despite a shared inflation trajectory are the latest indication that the monetary path is bearish for the dollar, according to strategists. "It shows the market's not rethinking the terminal Federal Funds rate despite inflation, whereas any sign of inflation is perceived as a European Central Bank game-changer," says Societe Generale SA strategist Kit Juckes. "U.S. inflation expectations rising faster than in Europe also help real yield differentials a bit in the euro's favor." The greenback just isn't getting a break: five-year real borrowing costs are at two-year highs, while U.S. economic data are strong and markets are factoring in tax stimulus. The currency has weakened against every Group-of-10 peer since President Donald Trump's inauguration.

<https://www.bloomberg.com/news/articles/2018-01-24/twin-inflation-tales-reinforce-diverging-path-for-dollar-euro>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at January 22, 2018	
	Percentage (%)
Yield to Maturity	4.84
Weighted Average Coupon	4.96
Current Yield	4.23

The platinum portfolio has an effective maturity of 15.39 years and duration of 5.01 years.

STRUCTURED PRODUCT

USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.

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

