

DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	AMG	CCC	NCBFG	LASD	JBG
Current Price (\$)	2.20	33.13	99.33	4.14	18.95
Trailing EPS (\$)	0.06	1.35	8.16	0.21	1.69
P/E (times)	39.97	24.58	12.17	19.79	11.19
Projected P/E	20.09	20.30	11.33	18.38	11.91
Projected EPS (\$)*	0.11	1.63	8.77	0.23	1.59
Book Value per share (\$)	0.97	10.53	50.34	1.29	12.39
Price/Book Value (times)	2.28	3.15	1.97	3.21	1.53
Dividend Yield (2018 %)	N/A	N/A	0.70%	N/A	N/A
Volumes	115,129	144,519	42,187	184,234	53,602
Recommendation	SELL	SELL	HOLD	HOLD	HOLD



STOCK OF THE DAY: Jamaica Broilers Group Limited (JBG)

For the six months ended October 31, 2017

Revenues totalled \$23.02 billion, a 13% increase on the \$20.43 billion reported in 2016. Revenue for the second quarter amounted to \$11.53 billion compared to \$10.41 billion booked for the corresponding quarter of 2016. Total revenue was broken down as follows;

- The Jamaica Operations contributed \$16.04 billion, an 8% increase compared to \$14.85 billion for the same period of 2016.
- US Operations recorded an increase of 23% to total \$5.95 billion relative to \$4.85 billion last year. According to the company.
- Other Caribbean Operations contributed \$1.03 billion, an increase of 42% when compared to \$725.14 million.

Cost of Sales grew by 14% to \$17.39 billion from \$15.22 billion in 2016. Gross profit for the first six months reflected an increase of 8% to close at \$5.63 billion versus \$5.20 billion booked for the corresponding period in 2016.

Operating profit improved by 4%, totalling \$1.20 billion relative to \$1.15 billion last year.

Profit before taxation decreased for the period amounting to \$898.70 million (2016: \$1.11 billion). Tax charges for the period totalled \$240.26 million (2016: \$269.27 million). As such, net profit amounted to \$658.44 million (2016: \$841.17 million). Net profit for the quarter amounted to \$445.86 million relative to \$439.11 million booked last year.

Consequently, earnings per share totaled \$0.53 relative to \$0.70 booked for the first six months of 2017. EPS for the second quarter amounted to \$0.36 versus \$0.36

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	128.850	95.000	126.0638	134.660	104.110	127.6773
CAN	103.500	73.030	95.0458	110.330	94.600	98.5777
GBP	179.000	125.400	171.1126	195.870	168.400	175.6742
EURO	153.380	111.380	147.0769	173.000	148.800	154.7433

*Rates as at February 26, 2018

MONEY MARKET

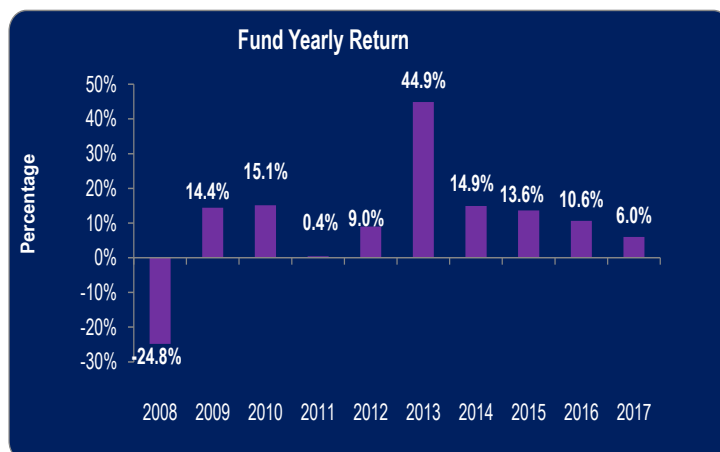
The Jamaican dollar fixed income market was liquid in today's (February 27, 2018) trading session. The over night rates were quoted around 1.90% to 2.10% while the 30-day rates were between 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today's (February 27, 2018) trading session; The overnight market rates were quoted at 1.00% to 1.10% while the 30-day market rates stood around 1.10% to 1.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Small Companies Fund

This fund's objective is to seek above-average capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization North American companies. The fund has a 3 year return of 8.3% and a 5 year return of 15.8% as at December 31, 2017. The Fund also has a 3 month return of 1.9%.



U.S.: Fed's Powell nods to 'gradual' rate increases, close eye on inflation

Federal Reserve Chairman Jerome Powell, pledging to “strike a balance” between the risk of an overheating economy and the need to keep growth on track, told U.S. lawmakers on Tuesday that the central bank would stick with gradual interest rate increases despite the added stimulus of tax cuts and government spending. Fed policymakers anticipate three rate increases this year, and Powell gave no indication in prepared remarks to the House Financial Services Committee that the pace needs to quicken even as the “tailwinds” of government stimulus and a stronger world economy propel the U.S. recovery. The testimony sent Powell’s first signal as Fed chief that the massive tax overhaul and government spending plan launched by the Trump administration will not prompt any immediate shift to a faster pace of rate increases. “Gradual” has been the operative word since the Fed began raising rates under Powell’s predecessor, Janet Yellen, in late 2015. The Fed is expected to approve its first rate increase of 2018 at the next policy meeting in March, when it will also provide fresh economic projections and Powell will hold his first press conference. Powell’s appearance before the House panel is his first as Fed chief. He used his prepared remarks to strike notes likely to be welcomed by the Republican majority on the panel - including promises of “transparency” and a nod to the monetary policy rules some of them favor.

<https://www.reuters.com/article/us-usa-fed-powell/feds-powell-nods-to-gradual-rate-increases-close-eye-on-inflation-idUSKCN1GB1QU>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 26, 2018	
	Percentage (%)
Yield to Maturity	5.31
Weighted Average Coupon	5.27
Current Yield	4.86

The platinum portfolio has an effective maturity of 12.76years and duration of 5.41years.

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

Japan: Dollar-Yen Won't Slide Well Below 105, Japan's Ex-FX Chief Says

The dollar-yen lacks momentum for a move well below the 105 level, according to the former currency chief at Japan’s Ministry of Finance. Concern over rising U.S. fiscal deficit, and worries the Federal Reserve is “behind the curve” on inflation are weighing on the greenback, offsetting the appreciation pressure stemming from expectations of higher interest rates, said Hiroshi Watanabe, president of the Institute for International Monetary Affairs in Tokyo. The dollar’s weakness and demand for haven assets amid a global stock rout propelled the yen to 105.55 per dollar earlier this month, its strongest level since November 2016. While the currency has since retreated to 107.07 late in Tokyo on Tuesday, some analysts are expecting flows from fiscal year-end repatriation to push it toward the 105 level again. The yen’s surge prompted comments from Japanese policy makers including the nation’s finance minister, as a stronger currency complicates their efforts to spur growth and inflation. Recent moves have been one-sided and Japan will act accordingly, Masatsugu Asakawa, chief of foreign-exchange policy at the finance ministry, said Feb. 16. The verbal warnings have been “rather weak,” said Watanabe, who was vice minister of finance in the international affairs department from 2004 to 2007. However, he also added that “physical intervention is not necessary at this point.” Newly-appointed Fed Chairman Jerome Powell may act with caution and not raise interest rates in March, Watanabe said. His comments come as a majority of economists is predicting a rate hike at the meeting and as pricing in interest-rate futures contracts shows investors have essentially fully priced such a move.

<https://www.bloomberg.com/news/articles/2018-02-27/dollar-yen-won-t-slide-well-below-105-japan-s-ex-fx-chief-says>

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.