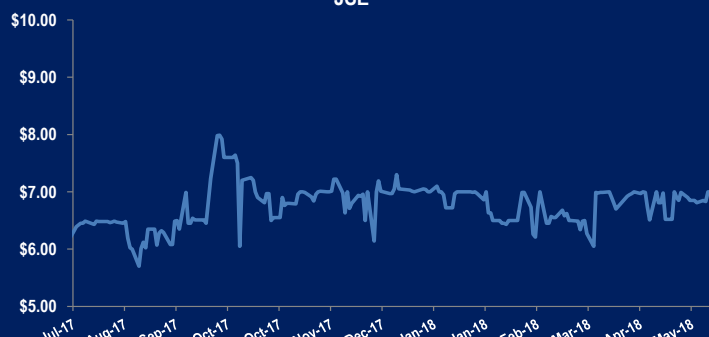


DAILY MARKET SUMMARY

LOCAL STOCK MARKET: (J\$)⁺

Stock Symbol	JSE	NCBFG	CHL	SEP	SALF
Current Price (\$)	7.00	94.33	9.76	36.03	13.00
Trailing EPS (\$)	0.31	8.16	0.34	1.42	1.00
P/E (times)	22.24	11.56	28.49	25.33	13.01
Projected P/E	14.68	10.90	27.76	26.58	10.03
Projected EPS (\$)*	0.48	8.65	0.35	1.36	1.30
Book Value per share (\$)	1.48	50.65	0.94	18.04	8.00
Price/Book Value (times)	4.73	1.86	10.34	2.00	1.63
Dividend Yield (2018 %)	1.94%	0.74%	1.18%	N/A	N/A
Volumes	126,370	18,660	5,480	8,690	1,000
Recommendation	HOLD	HOLD	SELL	SELL	BUY

JSE



STOCK OF THE DAY: Jamaica Stock Exchange (JSE)

For the three months ended March 31, 2018:

JSE recorded total revenue of \$349.58 million, a 45% increase when compared to the \$241.07 million booked the prior year. Of this:

- Cess income rose by 84% to \$126.06 million relative to \$68.56 million the previous year.
- Fee income grew by 39% to \$187.55 million to close the quarter, compared to \$134.48 million in 2017.
- E-campus showed an increase of 21% to \$3.24 million, relative to \$2.68 million in 2017.

Other operating income fell 7% during the period to total \$32.73 million compared to \$35.35 million in 2017.

Total expenses for the year increased by \$44.81 million or 28% moving from \$161.95 million in 2017 to \$206.76 million in 2018. Of this: Staff cost increased 15% to total \$86.06 million for the period (2017: \$75.11 million) and was primarily due to, "salaries associated with new staff hires required to support new business lines and expansion of current business." Depreciation and amortization totaled \$12.50 million for the year relative to \$6.20 million in 2017 and was as a result of the, "acquisition of new assets and an increase in the revaluation of property." Property expenses climbed \$3.65 million to \$31.89 million (2017: \$28.24 million) during the year under review and is, "correlated to Cess Fees earned."

Investment income climbed from \$5.44 million in 2017 to \$8.39 million in 2018.

Profit before tax totaled \$151 million compared to \$84.56 million the prior year's corresponding period. Tax charges for the quarter totaled \$49.69 million (2017: \$28.32 million).

Consequently, JSE reported a net profit for the quarter of \$101.31 million compared to a profit of \$56.24 million in the prior year, a 80% hike.

Total comprehensive income amounted to \$97.15 million relative to \$59.22 million in 2017. Earnings per share for the quarter totaled \$0.14 compared to \$0.08 in 2017.

The trailing EPS is \$0.38. JSE stock price closed the trading period on May 14, 2018 at \$7.00.

JSE also noted, "There were two listings on the Junior Market in the first Quarter. It is expected that for the remaining quarters additional listings will occur. The positive movement in Fee Income is expected to continue as the customer base increases."

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	126.700	100.010	124.6852	134.350	100.010	125.9450
CAN	99.300	73.910	97.9148	111.360	73.560	99.0065
GBP	171.500	122.320	168.7277	191.740	162.400	170.0103
EURO	147.100	109.130	141.0821	172.790	116.040	149.8610

*Rates as at May 14, 2018

MONEY MARKET

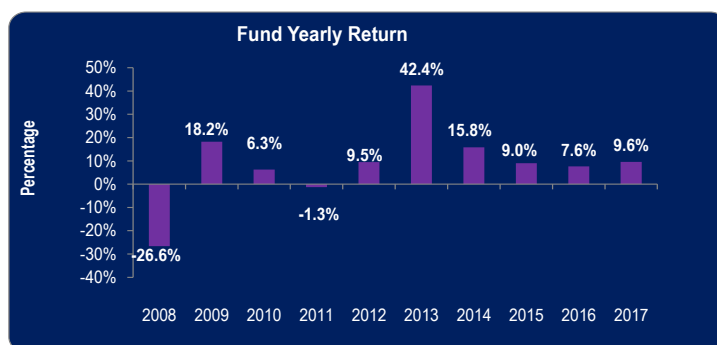
The Jamaican dollar fixed income market was liquid in today's (May 15, 2018) trading session. The over night rates were quoted around 1.50% while the 30-day rates stood at 2.30%.

The US dollar fixed income market was also liquid during today's (May 15, 2018) trading session; The overnight market rates were quoted 1.00% while the 30-day market rates stood 1.40%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Managers® 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 believed to have good growth potential. These companies are located in countries that have signed the North American Free Trade Agreement (NAFTA), or its successor. These countries currently include the United States, Canada and Mexico, but may also include countries that become members of NAFTA in the future. The fund has a 3 year return of 6.4% and a 5 year return of 13.2% as at March 31, 2018. The Fund also has a 6 month return of .6%.



U.S.: Wall Street drops on concerns over U.S.-China trade woes, rising inflation

U.S. stocks slipped on Tuesday after the latest retail sales data indicated rising inflation and pushed up Treasury yields, while trade worries lingered with no signs of progress in U.S.-China talks. The United States and China are still “very far apart” on resolving trade frictions, U.S. Ambassador to China Terry Branstad said, as a second round of high-level talks were set to begin in Washington. Adding to the trade woes, Mexico’s economy minister Ildefonso Guajardo said he does not expect to meet a deadline this Thursday to reach a new North American Free Trade Agreement that could be presented to the U.S. Congress. U.S. retail sales increased a moderate 0.3 percent in April, compared with an upwardly revised 0.8 percent surge in March, as rising gasoline prices weighed on discretionary spending, the Commerce Department said. However, the rise in core retail sales, which excluded automobiles, gasoline, building materials and food services, showed consumer spending appeared on track to accelerate after slowing sharply in the first quarter. Following the data, benchmark U.S. Treasury yield hit 3.037 percent, a key breakout level, before gaining further to 3.058 percent, its highest since July 2011. Shares of retailers including J. C. Penney (JCP.N), Target (TGT.N) and Macy’s (M.N) rose between 1.6 percent to 3.9 percent. However, losses were broad based with ten of the 11 major S&P sectors in the red.

<https://www.reuters.com/article/us-usa-stocks/wall-street-drops-on-concerns-over-u-s-china-trade-woes-rising-inflation-idUSKCN1IG1NN>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 7, 2018

	Percentage (%)
Yield to Maturity	5.52
Weighted Average Coupon	5.463
Current Yield	5.16

The platinum portfolio has an effective maturity of 12.38years and duration of 4.29years.

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.

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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: German yields up for third day on firmer U.S. yields

Core European bond yields rose on Tuesday with German debt yields up for a third consecutive day on the back of firmer U.S Treasury yields and comments from a European Central bank official this week. Germany’s 10-year bond yield climbed 3 basis points on Monday, extending that rise on Tuesday to its highest in almost three weeks at 0.64 percent. “The European Central Bank is sounding a bit more optimistic on the economy and that is pushing yields higher,” said Jason Simpson, a rates strategist at Societe Generale in London. Despite firmer German yields, peripheral debt remained well supported with Italian bond yields IT10YT=RR pushing higher by less than 3 basis points to 1.94 percent, its highest in two months. “Italy is quite resilient as markets are taking a wait-and see-approach on the political situation,” said Ioannis Sokos, a European rates strategist at Nomura based in London. Italy’s 10-year bond yield gap over top-rated Germany was at its tightest in almost a week at around 129 bps. Bank of France Governor Francois Villeroy de Galhau said on Monday the ECB could give fresh guidance on the timing of its first rate hike as the end of its exceptional bond purchases approaches. Those comments, along with easing concerns about a global trade war and a rise in oil prices to 3-1/2 year highs, have put renewed upward pressure on U.S. and European government bond yields. The U.S. 10-year Treasury yield traded above the 3 percent barrier in European trade US10YT=RR.

<https://www.reuters.com/article/us-eurozone-bonds/german-yields-up-for-third-day-on-firmer-u-s-yields-idUSKCN1IG1GK?il=0>

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.

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



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