

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	JP	NCBFG	LASM	SVL	CFE
Current Price (\$)	16.52	94.99	4.12	12.55	9.70
Trailing EPS (\$)	0.83	8.16	0.13	0.53	0.96
P/E (times)	19.90	11.64	31.24	23.65	10.15
Projected P/E	9.78	10.98	23.85	18.36	9.43
Projected EPS (\$)*	1.69	8.65	0.17	0.68	1.03
Book Value per share (\$)	10.22	50.65	1.18	1.22	4.32
Price/Book Value (times)	1.62	1.88	3.48	10.30	2.25
Dividend Yield (2018 %)	N/A	0.74%	N/A	3.98%	N/A
Volumes	105,932	157,533	382,421	119,389	NIL
Recommendation	HOLD	HOLD	SELL	HOLD	BUY

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	127.700	100.830	125.5083	136.030	100.420	126.9764
CAN	100.300	73.670	98.3803	111.710	90.000	98.9855
GBP	171.580	121.570	167.8836	190.200	162.000	170.3465
EURO	146.000	107.730	143.0887	170.580	143.000	148.6214

\*Rates as at May 24 2018

### MONEY MARKET

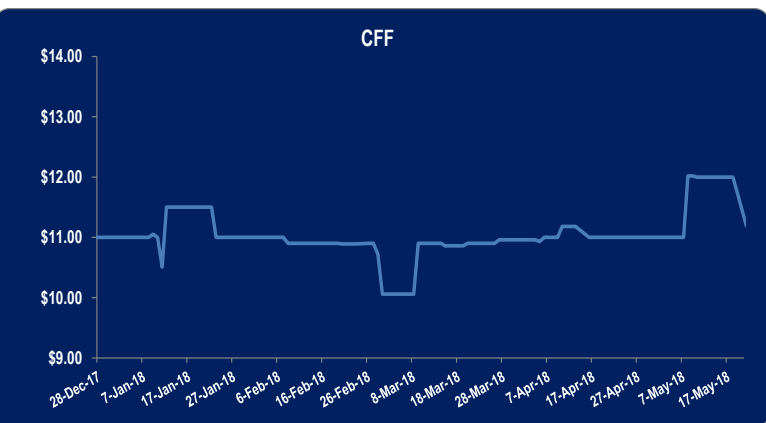
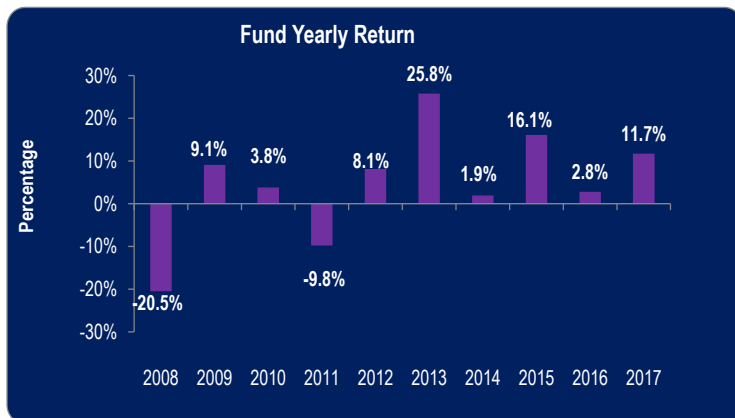
The Jamaican dollar fixed income market was liquid in today's (May 25, 2018) trading session. The over night rates were quoted around 1.40% while the 30-day rates stood at 2.50%.

The US dollar fixed income market was also liquid during today's (May 25, 2018) trading session; The overnight market rates were quoted 1.00% while the 30-day market rates stood at 1.40%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI International Value 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 whose primary operations are outside of North America. The fund may make significant investments in any country including emerging markets and emerging industries of any market. The fund has a 3 year return of 6.6% and a 5 year return of 10.1% as at March 31, 2018. The Fund also has a 6 month return of 2.5%.



### STOCK OF THE DAY: Caribbean Flavours & Fragrances Limited (CFF)

#### For the nine months ended March 31, 2018:

For the nine months ended March 31, 2018, Caribbean Flavours & Fragrances Limited's (CFF) revenue increased by 1% to \$302.98 million relative to \$300.67 million for the comparable period in 2017. For the quarter, the Company generated gross revenue of \$88.72 million, a marginal increase year over year.

Cost of sales also increased for the period to \$184.38 million. This compares to the prior year's figure of \$181.71 million, representing an increase of 1%. Gross profit decreased slightly to \$118.60 million for the period in review and compares to the prior year's amount of \$118.97 million.

The company had a marginal year on year decrease in total expenses to \$67.66 million down from \$67.97 million in 2017. This was attributed to a 8% decrease in selling & distribution expenses to \$3.05 million (2017: \$3.32 million). Administrative Expense for the period was relatively flat at \$64.61 million versus the prior year's corresponding total of \$64.65 million.

Consequently, profit from operations for the period remained relatively flat at \$50.94 million versus \$51 million booked for the nine months ended March 2017, while for the quarter there was a 23% increase from \$10.97 million to \$13.51 million. The company reported an 81% increase in net finance income from \$3.85 million in 2017 to \$6.95 million in 2018.

As a result, net profit for the period amounted to \$57.88 million representing a 6% increase from the comparable period's figure of \$54.85 million, while for the quarter, net profit increased 28% from \$12 million to \$15.42 million.

The earnings per share for the quarter amounted to \$0.17 (2017: \$0.13), while earnings per share for period totaled \$0.64 relative to \$0.61 in 2017. The twelve month trailing earnings per share is \$0.96.

**U.S.: Oil prices slump, weighing on energy shares but lifting dollar**

The prospect of higher oil output slammed crude prices on Friday, lifting the U.S. dollar and weighing on energy shares, while political upheaval in Europe and uncertainty over a U.S.-North Korea summit restrained equity markets and boosted bond prices. Crude oil prices declined more than 3 percent after Saudi Arabia and Russia said they were ready to ease supply curbs that have pushed prices to their highest since 2014. Pyongyang gave a measured response to Trump's decision to cancel the meeting, with Vice Foreign Minister Kim Kye Gwan expressing hope for a "Trump formula" to resolve the standoff over its nuclear program. The remarks prompted Trump on Friday to dangle the possibility that the June 12 summit with North Korea's leader Kim Jong Un might still happen. Wall Street opened lower as slumping oil prices dragged on energy stocks ahead of a holiday weekend in the United States, which typically leads to low volume. The Dow Jones Industrial Average fell 30.9 points, or 0.12 percent, to 24,780.86, the S&P 500 lost 4.67 points, or 0.17 percent, to 2,723.09 and the Nasdaq Composite added 16.94 points, or 0.23 percent, to 7,441.37. Shares of Exxon and Chevron each fell more than 2 percent, while service firms Schlumberger, Halliburton and producers Occidental Petroleum and ConocoPhillips were down between 3 percent and 4.2 percent.

<https://www.reuters.com/article/us-global-markets/oil-prices-slump-weighing-on-energy-shares-but-lifting-dollar-idUSKCN11Q05V?i=0>

**Asia: OPEC, Russia prepared to raise oil output under U.S. pressure**

Saudi Arabia and Russia are discussing raising OPEC and non-OPEC oil production by some 1 million barrels a day, sources said, while OPEC's chief said a complaint from U.S. President Donald Trump over high prices had triggered the idea of upping output. Riyadh and Moscow are prepared to ease output cuts to calm consumer worries about supply adequacy, their energy ministers said on Friday, with Saudi Arabia's Khalid al-Falih adding that any such move would be gradual so as not to shock the market. Raising production would ease 17 months of strict supply curbs amid concerns that a price rally has gone too far, with oil LCOe1 having hit its highest since late 2014 at \$80.50 a barrel this month. OPEC began a discussion about easing production cuts following a critical tweet from Trump, OPEC's Secretary-General Mohammad Barkindo said. Trump tweeted last month that OPEC had "artificially" boosted oil prices. "We pride ourselves as friends of the United States," Barkindo told a panel with the Saudi and Russian energy ministers in St. Petersburg at Russia's main economic forum. The Organization of the Petroleum Exporting Countries and allies led by Russia have agreed to curb output by about 1.8 million barrels per day (bpd) through 2018 to reduce global stocks, but the inventory overhang is now near OPEC's target. Oil prices fell more than 2 percent towards \$77 a barrel on Friday as Saudi Arabia and Russia said they were ready to ease supply curbs.

<https://www.reuters.com/article/us-oil-pec-exclusive/pec-russia-prepared-to-raise-oil-output-under-u-s-pressure-idUSKCN11Q0Q6>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at May 21, 2018	
	Percentage (%)
Yield to Maturity	5.72
Weighted Average Coupon	5.498
Current Yield	5.41

The platinum portfolio has an effective maturity of 12.39years and duration of 4.30years.

**STRUCTURED PRODUCT**

**Mayberry Individual Retirement Plan (IRP)**

IRP is a Retirement Scheme for all persons who are self employed or are employed in non-pensionable positions and do not otherwise contribute to an approved Superannuation Fund or another approved Retirement Scheme. The IRP will help some people make substantially greater contributions than they might otherwise make.

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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

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

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