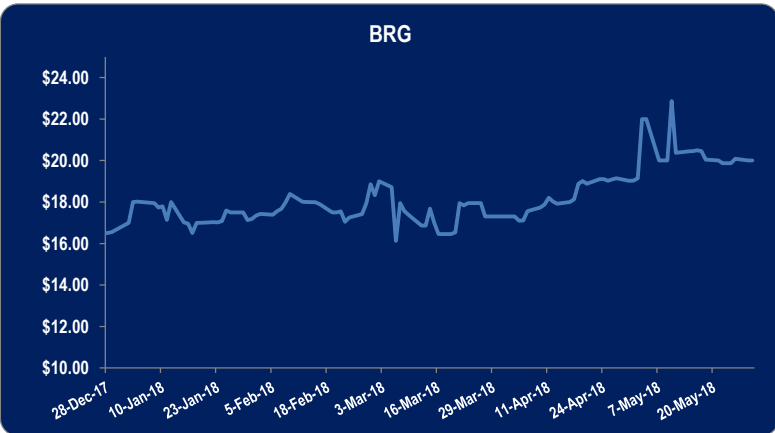


## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	GK	SGJ	CPJ	HONBUN	BRG
Current Price (\$)	48.86	50.73	4.95	4.76	19.51
Trailing EPS (\$)	4.32	4.31	0.37	0.17	0.86
P/E (times)	11.30	11.78	13.52	28.49	22.56
Projected P/E	9.54	11.43	11.58	23.87	25.13
Projected EPS (\$)*	5.12	4.44	0.43	0.20	0.78
Book Value per share (\$)	45.62	33.71	2.73	1.27	4.94
Price/Book Value (times)	1.07	1.50	1.81	3.74	3.95
Dividend Yield (2018 %)	0.82%	0.95%	N/A	4.62%	1.46%
Volumes	20,116	12,430	10,000	NIL	33,467
Recommendation	HOLD	HOLD	BUY	SELL	SELL



### STOCK OF THE DAY: Berger Paints Jamaica Ltd. (BRG)

**For the six months ended March 31, 2018:**

Berger Paints Jamaica Limited (BRG) for the ended March 31, 2018 reported total Revenues of \$506.10 million, a 13% increase relative to \$449.70 million reported in for the comparable period in 2017.

The company reported 'changes in inventories of finished goods and work in progress' declined 22% to 22.35 million from \$28.64 million booked for the first quarter of 2017.

The company reported other income of \$139,000 a 96% decline from the \$3.28 million reported last year.

The company recorded an overall uptick in expenses. The company noted, "Prior operating expenses included \$12 million of IAS19 reductions to employee benefit expenses not recurring in this quarter."

This resulted in operating profit for the period of \$11.22 million, a 75% or \$34.34 million decline when compared with the \$45.57 million recorded for the comparable period in 2017.

Profit before Tax for the period amounted to \$11.22 million, also a 75% or \$34.34 million decline relative to the \$45.57 million reported for the comparable period in 2017.

BRG booked Taxation for the period of \$3.49 million in contrast to a tax credit of \$20.13 million. Consequently, Net Profit for the three months period decreased 88% or \$57.97 million to total \$7.73 million when compared with the \$65.70 million reported for the corresponding period in 2017.

Consequently, Earnings per share for the three months ended March 31, 2018 amounted to \$0.04 (2017: \$0.31). The trailing twelve months earnings per share amounted to \$0.86.

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	128.250	100.000	125.6348	138.150	101.100	127.3519
CAN	99.170	69.110	95.3448	101.339	92.000	100.0281
GBP	171.680	117.890	164.3406	193.800	162.000	167.4585
EURO	151.942	105.750	144.6476	169.200	110.900	148.0403

\*Rates as at May 29, 2018

### MONEY MARKET

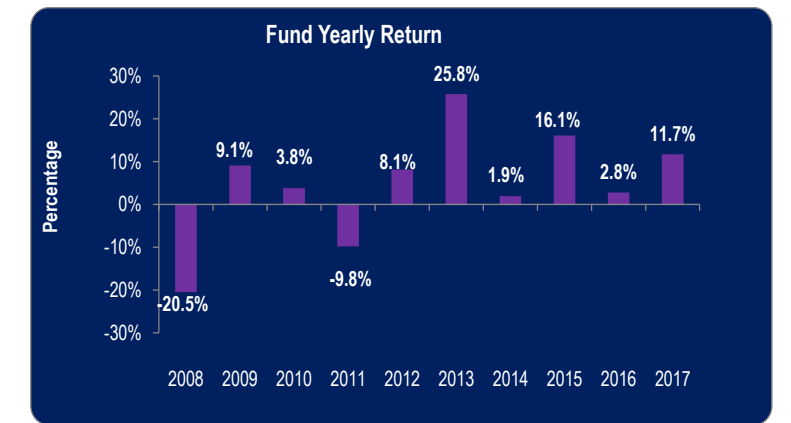
The Jamaican dollar fixed income market was liquid in today's (May 30, 2018) trading session. The over night rates were quoted around 1.40% while the 30-day rates stood at 2.50%.

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



\*Prices are as at May 30, 2018 \*Projections are for the forward 12 months from the most recent quarter results

**U.S.: Banks temper expectations for first 'Volcker Rule' rewrite**

U.S. regulators are set to rewrite rules reining in banks' risky trading behavior, making changes that will cut compliance costs but stopping far short of allowing firms to return to their gambling days seen before the 2007-2009 global financial crisis. The Federal Reserve's long-anticipated proposal to alter the so-called Volcker Rule on Wednesday marks another step by Trump administration regulators to ease banking rules in a bid to boost lending and economic growth. Part of the 2010 Dodd-Frank financial reform law, the Volcker Rule is aimed at preventing banks from making market bets while accepting taxpayer-insured deposits. It has forced many Wall Street banks to overhaul their trading operations and hive off billions of dollars worth of hedge funds and private equity funds. Banks have long complained that the rule, which took four years to write and runs at more than 1,000 pages, is vague and complex, creating a disproportionate compliance burden and limiting their ability to facilitate investments and hedges for investors. Still, Wednesday's proposal should provide clarity over how banks can show trades qualify for certain safe harbors, especially when facilitating client trades, according to people familiar with the matter. Reuters had reported the expected changes in February.

<https://www.reuters.com/article/us-usa-fed-volcker/banks-temper-expectations-for-first-volcker-rule-rewrite-idUSKCN1IV09Y>

**Japan: Japan to open door to unskilled workers to meet labor crunch: Nikkei**

Japan plans to ease restrictions on unskilled foreign workers in five sectors hit hard by labor shortfalls, the Nikkei business daily said on Wednesday, as the country confronts the challenges of a shrinking and aging population. The government hopes to attract more than 500,000 foreign laborers to nursing, shipbuilding, lodging as well as construction and agricultural industries by around 2025, the newspaper said. Prospective foreign workers in those sectors can acquire work permits for up to five years by passing occupational and Japanese language tests starting next April, in which they will be required to demonstrate they are capable of understanding slow conversations and conducting basic tasks, the paper said. A strengthening economy since Prime Minister Shinzo Abe took office in 2012, rebuilding after the 2011 tsunami, a construction boom ahead of the 2020 Tokyo Olympics and a shrinking and aging population have aggravated Japan's labor shortage. A ban on unskilled foreign workers has raised concerns the labor crunch would cap economic growth in the world's third-largest economy. The government also plans to allow those in the country's "trainee" program, designed to share technology with developing countries, to remain in Japan after the completion of the program and work for a maximum of five years, the Nikkei said.

<https://www.reuters.com/article/us-japan-foreignworkers/japan-to-open-door-to-unskilled-workers-to-meet-labor-crunch-nikkei-idUSKCN1IV0IN>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at May 28, 2018	
	Percentage (%)
Yield to Maturity	5.75
Weighted Average Coupon	5.529
Current Yield	5.58

The platinum portfolio has an effective maturity of 13.59years and duration of 4.58years.

**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.

**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

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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