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Sales Inquiries  
[managedequity@mayberryinv.com](mailto:managedequity@mayberryinv.com)

General & Sales Inquiries  
(876) 929 1908- 9

(876) 929-1501

[mayberryinvja](http://mayberryinvja)

[facebook.com/mayberryinvja](https://facebook.com/mayberryinvja)

## Featured Stock: (CPJ)

Caribbean Producers Jamaica Limited (CPJ);  
Opening price — \$5.65 Price to book — 2.07 times;  
P/E — 15.43 times

This week's stock pick is Caribbean Producers Jamaica Limited (CPJ). CPJ's principal activities include the wholesale and distribution of food and beverages, the distribution of non-food supplies and the manufacture and distribution of fresh juices and meats.

CPJ's performance for the nine months ended March 31, 2018 featured revenues growth of 13% from \$72.33 million, to close the period at \$81.65 million compared to the prior year. Management noted that, "Sales efforts were geared towards a focused approach to developing market share with the innovation of new product offerings. Sales of Dairy, Dry Goods and Wine increased in key target markets." Cost of goods sold showed a 14% increase closing the period at \$59.37 million relative to \$52.17 million for the corresponding period in 2017. Consequently, CPJ recorded a 10% increase in gross profits to \$22.28 million (2017: \$20.16 million) for the nine months. Selling Selling and administrative expenses were \$16.34 million, a 12% increase on the \$14.55 million posted for the prior year. Net profit attributable to shareholders for the nine months amounted to \$2.31 million (2017: \$1.90 million), while for the quarter, net profit amounted to \$847,119 relative to a net profit \$929,172 million booked last year, a 9% decline.

CPJ, in May, successfully closed a private placement of Notes on the amount of J\$500 million. Proceeds of the offer will be used to pay out existing debt, and finance the expansion of CPJ's growing operations. Management expects to implement a warehouse management system to drive operational cost efficiencies to the bottom line.

Additionally, CPJ (as at Friday May 11, 2018) was trading at 2.07 times its book value with a P/E of 15.43 times.

Our weekly pick features a stock currently held in the Mayberry Managed Equity Portfolio (MMEP). For more information on the MMEP, please contact your investment advisor today.