

## DAILY MARKET SUMMARY



### LOCAL STOCK MARKET: (JS) +

Stock Symbol	SEP	CCC	JETCON	LASD	SALE
Current Price (\$)	35.50	43.27	3.98	4.16	11.13
Trailing EPS (\$)	1.42	1.20	0.28	0.29	1.00
P/E (times)	24.96	36.06	14.45	14.47	11.14
Projected P/E	26.19	11.82	13.46	16.50	8.58
Projected EPS (\$)*	1.36	3.66	0.30	0.25	1.30
Book Value per share (\$)	18.04	10.93	0.82	1.31	8.00
Price/Book Value (times)	1.97	3.96	4.85	3.18	1.39
Dividend Yield (2018 %)	N/A	N/A	0.88%	2.81%	4.49%
Volumes	NIL	31,371	17,500	25,668	3,000
Recommendation	SELL	BUY	BUY	HOLD	BUY

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

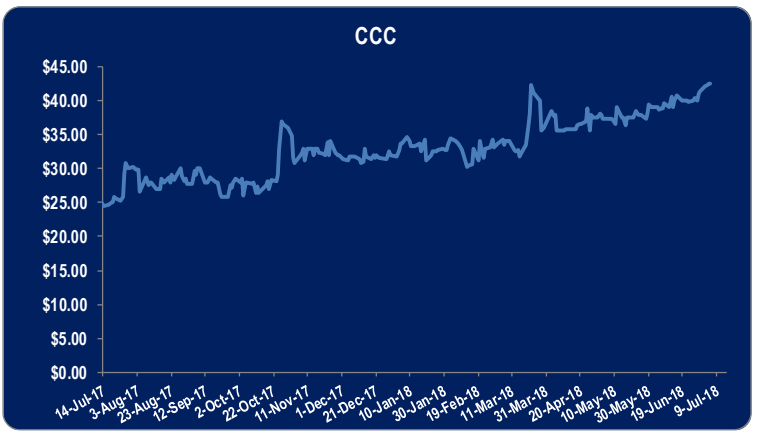
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	132.100	100.000	129.2212	141.180	100.000	131.0490
CAN	113.580	70.980	98.6045	114.000	93.000	100.3823
GBP	175.750	121.180	169.2217	199.200	163.000	173.7398
EURO	151.530	109.950	148.8469	166.390	146.000	153.1119

\*Rates as at July 06, 2018

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in to-day's (July 9, 2018) trading session. The over night rate stood at 0.85% to 1.00% while the 30-day rate ranged between 1.30% and 1.50%.

The US dollar fixed income market was also liquid during to-day's (July 9, 2018) trading session; The overnight market rates were quoted at 1.30% while the 30-day market rates stood at 1.60% to 1.80%.



### STOCK OF THE DAY: Caribbean Cement Company Limited (CCC)

**For the Three Months Ended March 31, 2018:**

Total revenue for the three months ended March 31, 2018 grew by 6% amounting to \$4.34 billion, up from \$4.09 billion reported a year ago.

Earnings before interest, tax, depreciation & amortization (EBITDA) for the period amounted to \$605.96 million, a decline of 11% relative to \$684.34 million booked for the prior year's corresponding period. CCC noted this, "This performance was mainly driven as a result of the scheduled annual maintenance of Kiln 5 and Mill 5, performed during February and March of 2018. Our investment in maintenance efforts will no doubt increase our operational efficiencies with the goal of driving exports, in due course."

Depreciation and amortization closed the period at \$126.19 million (2017: \$134.17 million). As a result, operating profit totaled approximately \$479.78 million (2017: \$550.17 million) for the period, a decline of 13% year over year.

Interest Income for the three months ended amounted to \$4.88 million, a gross increase of 165% when compared to \$1.84 million for the corresponding period in 2017. Finance Income for the three months closed at \$25.80 million compared to a finance cost of \$24.16 million incurred for the corresponding period of 2017.

Consequently, Profit before Taxation for the period amounted to \$510.45 million, 3% less when compared with a profit of \$527.85 million recorded last year. Taxation for the period increased 161% from \$67.48 million reported for the first three month of 2017 to \$176.13 million.

Net profit for the first quarter closed at \$334.32 million relative to net profit of \$460.36 billion booked for the corresponding quarter in 2017, a decrease of 27% year over year.

Total comprehensive income for the period closed at \$347.81 million, relative to \$460.36 million for the corresponding period in 2017.

Consequently, earnings per share (EPS) amounted to \$0.39 (2017: \$0.54), while twelve months trailing EPS is \$1.20. The number of shares used in this calculation was 851,136,591 shares. CCC stock price closed the trading period at a price of \$38.97 on April 25, 2018.

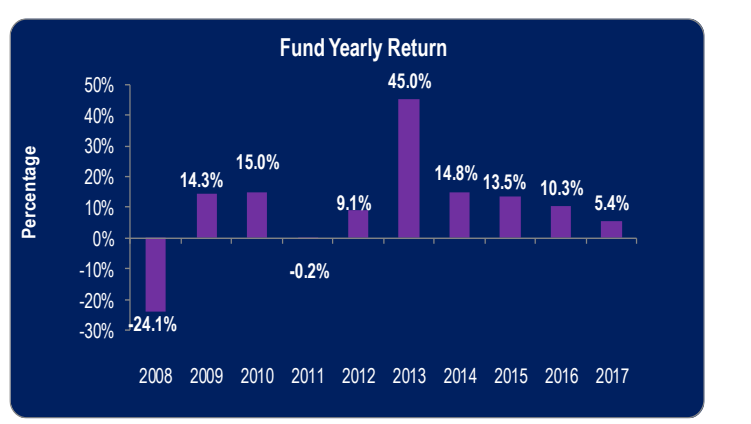
CCC highlighted, "The Board of Directors and Management of Carib Cement are pleased to report that the agreement with our parent company Trinidad Cement Limited (TCL), for the acquisition of Kiln 5 and Mill 5 has been signed, thereby terminating the lease agreement. The initial payment of \$1.3 billion towards the acquisition represents a significant investment in plant and equipment, improving the company's asset base. This is proof that Carib Cement remains committed to achieving success and continues to strive to live up to its slogan of 'Building a Greater Jamaica'."

Lastly, management indicated, "The coal mill project is currently in the final stages and production is expected by the end of the third quarter of this year. This will continue to contribute to the plant's operational efficiency and also to a reduction in operating costs."

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI American Small Companies Corporate Class

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 7.0% and a 5 year return of 13.0% as at July 06, 2018. The Fund also has a 10 year return of 9.6%.



\*Prices are as at July 09, 2018 \*Projections are for the forward 12 months from the most recent quarter results

U.S. Stocks Rally, Dollar Weakens With Treasuries: Markets Wrap

U.S. equities joined a global rally that began in Asia as investors set aside concern about escalating trade tensions to focus on the coming earnings season. The dollar fell against almost all its major peers. The S&P 500 Index rose for a third day, while miners and energy producers took the Stoxx Europe 600 Index to a fifth consecutive advance, the longest winning streak since March. The MSCI Asia Pacific Index jumped the most in a month. Commodities and emerging-market equities found support from the weakening greenback, while Treasuries fell with core. European bonds as ECB executive board member Benoit Coeure played down any discussions of an “Operation Twist” for debt reinvestments. The Chinese yuan rebounded after its fourth weekly decline, and the British pound climbed on optimism Theresa May can contain the latest government crisis over Brexit.

Pound Gains as U.K. Government Seen Averting Leadership Battle

The pound climbed to the strongest level in almost a month on optimism that a crisis engulfing U.K. Prime Minister Theresa May’s government won’t spiral into a leadership challenge. Sterling gained against both the dollar and the euro in London trading as traders judged the resignation of Brexit Secretary David Davis would make a soft exit from the European Union more likely, even as Brexiteer Dominic Raab was announced as Davis’ replacement. Brexit-supporting lawmaker Jacob Rees-Mogg said on Monday that a confidence vote in the prime minister wasn’t immediately in the cards. The U.K. currency may be vulnerable if Davis’ resignation sparks a leadership challenge for May, while the appointment of Raab as Brexit secretary isn’t a major game changer, said Patel. On the other hand, if May manages to stem the rebellion it will be seen as giving the green light for her to pursue a closer relationship with the EU.

<https://www.bloomberg.com/news/articles/2018-07-09/pound-strengthens-as-u-k-government-crisis-is-seen-contained>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 09, 2018	
	Percentage (%)
Yield to Maturity	5.80
Weighted Average Coupon	5.55
Current Yield	5.74

The platinum portfolio has an effective maturity of 13.53 years and duration of 4.68 years.

STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry’s top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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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