

DAILY MARKET SUMMARY



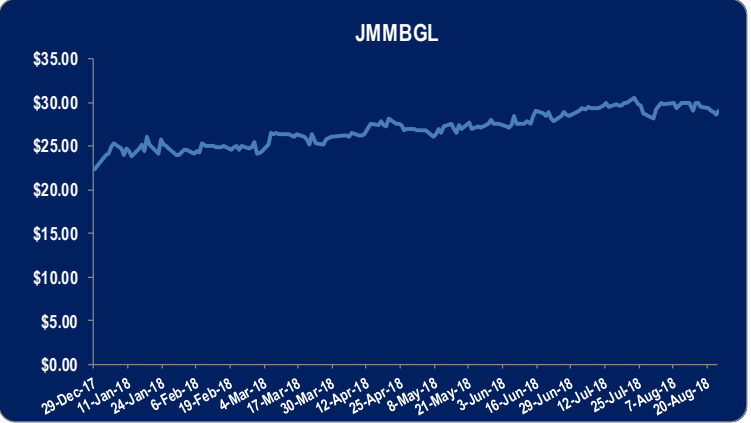
LOCAL STOCK MARKET: (JS) +

Stock Symbol	MEEG	JMMBGL	Ttech	CPJ	SALF
Current Price (\$)	6.99	28.99	5.44	6.80	17.09
Trailing EPS (\$)	0.36	2.42	0.22	0.37	1.36
P/E (times)	19.58	11.97	24.32	18.58	12.56
Projected P/E	17.45	11.23	22.08	15.91	11.00
Projected EPS (\$)*	0.40	2.58	0.25	0.43	1.55
Book Value per share (\$)	1.76	15.48	1.84	2.73	8.04
Price/Book Value (times)	3.98	1.87	2.96	2.49	2.13
Dividend Yield (2018 %)	N/A	0.93%	N/A	N/A	2.93%
Volumes	NIL	169,455	9,600	2,740	4,223
Recommendation	HOLD	BUY	SELL	HOLD	BUY

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	138.900	100.000	136.3727	147.370	100.000	137.9635
CAN	106.250	75.520	104.5751	120.840	93.000	106.0185
GBP	178.500	152.860	171.1141	204.960	165.000	178.0627
EURO	156.000	114.900	147.0442	183.840	150.000	160.1128

*Rates as at August 23, 2018



MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (August 24, 2018) trading session. The over night rate stood at 0.85% while the 30-day rate ranged between 1.30% and 1.60%.

The US dollar fixed income market was also liquid during today's (August 24, 2018) trading session; The over-night market rates were quoted at 1.20% while the 30-day market rates stood at 1.50% to 1.70%.

STOCK OF THE DAY: JMMB Group Limited (JMMBGL)

For the three months ended June 30, 2018

JMMB Group Limited - (JMMBGL) for the three months ended June 30, 2018 booked Net interest income of \$2.07 billion compared to \$1.91 billion in 2017, an increase of 8%. Of this, Interest income grew by 7% to close at \$4.24 billion, from the \$3.96 billion booked in 2017, while interest expenses increased by 6% to total \$2.17 billion relative to \$2.04 billion in the prior year. JMMBGL highlighted that, "there was strong growth in the loan and investment portfolios."

Fees and commission income for the quarter amounted to \$481.64 million, an improvement of 32% on the \$363.83 million last year's corresponding period. According to the company, this was, "due to significant growth in managed funds and collective investment schemes across the Group." Foreign exchange margins from cambio trading recorded an increase of 117% year over year to close the quarter at \$514.65 million (2017: \$237.54 million), while net gains from securities trading showed an increase of 4% totalling \$1.60 billion (2017: \$1.54 billion).

Other income for the period totalled \$5.34 million a 85% contraction relative to \$36.42 million reported for the corresponding period in 2017. Dividend income for the three months also declined 60% to close at \$4.58 million relative to \$11.33 million in 2017's first quarter.

Operating expenses amounted to \$3.34 billion, a growth of 11% (2017: \$3.00 billion) which led to an operating profit of \$1.21 billion, an increase when compared to the \$958.05 billion booked the year prior. According to JMMBGL, "This was attributed primarily to costs associated with our integrated Group sales and support framework coupled with the continued build-out of commercial banking services in Jamaica. The Group will continue to focus on extracting operational efficiency from all entities through the launch of its standardization and process improvements project."

Following taxes of \$258.88 million (2017: \$381.07 million), JMMBGL booked a 56% increase in net profit to \$956.61 million compared to \$613.39 million reported for the similar period of 2017.

Net profit attributable to the shareholders of the company totalled \$935.90 million relative to \$616.54 million in 2017, a 52% improvement year over year.

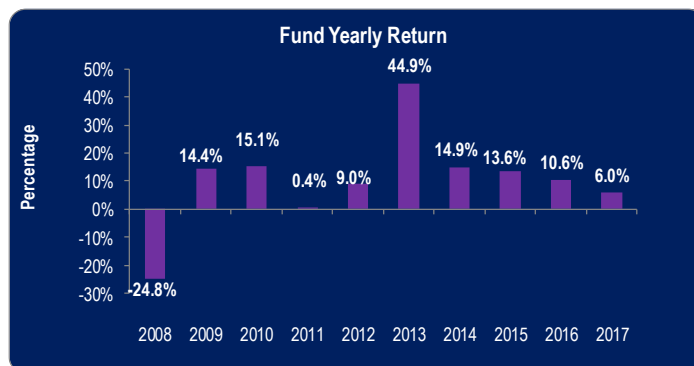
As a result, earnings per share (EPS) for the three months amounted to \$0.57 (2017: \$0.38). The twelve month trailing EPS amounted to \$2.38 where the number of shares used in the calculations amounted to 1,630,552,530 units. Notably, JMMBGL's stock price closed trading on August 14, 2018 at \$29.04.

The Company noted, "We are pleased with our Q1 performance as net profit exceeded expectation. We also advanced three (3) strategic projects which will expand online services in the Dominican Republic, improve banking services in Jamaica and standardise client experience across the Group."

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Small Companies Fund

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 6.3% and a 5 year return of 12.7% as at July 31, 2018. The Fund also has a 10 year return of 10.5%.



U.S.: U.S. Business-Equipment Orders Rose More Than Forecast in July

Orders placed with U.S. factories for business equipment accelerated by more than forecast in July, a sign solid demand extended into the second half despite corporate concerns over tariffs, Commerce Department figures showed Friday. Orders rose for machinery, computers and electronic products and motor vehicles and parts last month, according to the report. The data, representing the first results since the U.S. and China imposed tariffs on each other's goods in early July, signal that business investment remains intact even as President Donald Trump widens a trade war to a growing range of products from China. Growth in business spending, which is getting a boost from lower corporate taxes, is one of the factors supporting economic growth that could reach 3 percent in the second half. Even so, the uncertainty over trade may spur companies to slow investment. The next round of proposed actions by the Trump administration against Chinese imports would place tariffs of as much as 25 percent on \$200 billion in goods. The drop in overall durable-goods orders reflects bookings for aircraft and parts, typically a volatile category.

<https://www.bloomberg.com/news/articles/2018-08-24/u-s-business-equipment-orders-rose-more-than-forecast-in-july>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at August 20, 2018	
	Percentage (%)
Yield to Maturity	5.78
Weighted Average Coupon	5.548
Current Yield	5.57

The platinum portfolio has an effective maturity of 13.33 years and duration of 4.60 years.

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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

Asia: India's Coffee Output Seen Plunging to Two-Decade Low on Floods

Coffee production in India will slump to the lowest in 21 years next season as heavy showers, flooding and landslides damaged trees in the main growing areas in the south of Asia's third biggest producer. Output in the year starting Oct. 1 may be about 25 percent lower than the 316,000 metric tons estimated by the state-run Coffee Board for 2017-18, said A.L.R.M. Nagappan, chairman of the coffee committee at the United Planters' Association of Southern India. That would be the lowest since 1997-98, government data shows. The plunge in output may be positive for global coffee prices because India exports more than 70 percent of its production. Arabica prices, which dropped this week to the lowest in 12 years, climbed 0.9 percent on Friday, while the robusta variety increased 0.6 percent. Arabica prices are still down almost 19 percent so far this year, while robusta prices have dropped about 10 percent. But for growers in Kerala, the biggest coffee producer after neighbouring Karnataka, the damage is only starting. "Not only the crop but the plants are also damaged and that will take another three to four years to recoup. Many areas have been affected by landslides."

<https://www.bloomberg.com/news/articles/2018-08-24/india-s-coffee-output-seen-plunging-to-two-decade-low-on-floods>

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 an-other approved Retirement Scheme. The IRP will help some people make substantially greater contributions than they might otherwise make.

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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