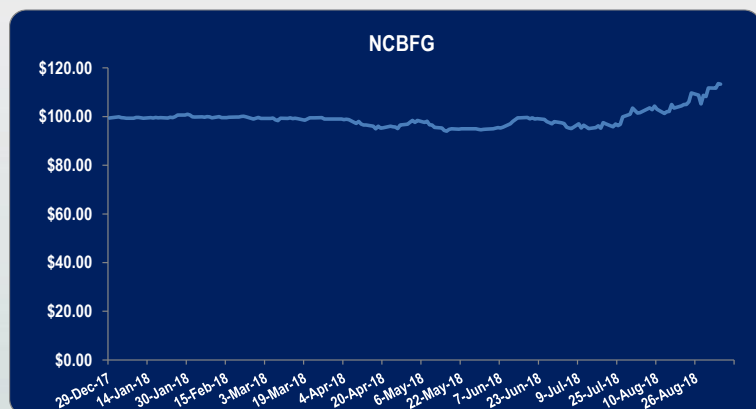


# MAYBERRY INVESTMENTS LIMITED

## DAILY RECOMMENDATION

### LOCAL STOCK MARKET: (J\$) <sup>+</sup>

Stock Symbol	WISYNCO	DTL	JP	JAMT	NCBFG
Current Price (\$)	9.19	2.65	20.00	4.01	113.28
Trailing EPS (\$)	0.61	0.08	0.74	0.26	10.16
P/E (times)	15.03	32.51	27.19	15.62	11.15
Projected P/E	14.78	19.48	25.32	12.93	11.07
Projected EPS (\$)*	0.62	0.14	0.79	0.31	10.23
Book Value per share (\$)	2.32	0.41	10.22	1.62	50.36
Price/Book Value (times)	3.97	6.53	1.96	2.47	2.25
Dividend Yield (2018 %)	0.69%	2.64%	N/A	0.75%	1.24%
Volumes	1,211,851	NIL	187,500	NIL	1,227,676
Recommendation	BUY	SELL	HOLD	SELL	HOLD



### STOCK OF THE DAY: NCBFG Financial Group Limited (NCBFG)

For The Nine Months Ended June 30, 2018:

Net Interest Income increased by 15%, relative to the corresponding period in 2017, to total \$25.42 billion (2017: \$22.19 billion), "resulting from volume growth in the loan portfolio and the consolidation of Clarien's results". Management noted. For the quarter, Net Interest Income improved 26% to close at \$9.51 billion (2017: \$7.56 billion). Interest income for the period rose 20% year over year to \$37.92 billion compared to \$31.63 billion in 2017, while interest expense amounted to \$12.51 billion relative to \$9.44 billion for the corresponding period in 2017.

Net Fees and Commission Income amounted to \$11.75 billion, an increase of 13% on 2017's \$10.42 billion. The bank also reported a gain on foreign currency and investment activities of \$11.41 billion, a growth of 103% relative to \$5.62 billion in 2017. The Company noted, "This performance is in the context of strong fiscal performance by the GOJ, a high level of liquidity which has created demand for assets and an accommodative policy stance by the BOJ which led to declining market interest rates." Insurance premium income for the period increased 16% to \$348.04 million (2017: \$185.71 million), while dividend income increased by 87% to a total of \$348.04 million (2017: \$185.71 million).

Other Operating Income climbed by 213% to \$513.52 million (2017: \$163.99 million). Consequently, total operating income increased 27% to a total of \$55.95 billion (2017: \$44.22 billion). Total operating income for the third quarter recorded a 34% growth to \$20.22 billion (2017: \$15.05 billion).

Total Operating Expenses for the period amounted to \$36.98 billion, an increase of 32% compared to the \$28 billion reported for the nine months ended June 30, 2017. Expenses for the quarter rose 36% to close at \$12.07 billion compared to \$8.88 billion in 2017. According to NCBFG, "we continue to re-tool the organisation to bolster our capacity to innovate and improve service standards to customers."

Consequently, operating profit increased 17% to total \$18.97 billion (2017: \$16.21 billion). 'Share of profit of associates' declined by 18% to total \$1.81 billion compared to \$2.22 billion in 2017. The Bank also reported negative goodwill on acquisition of subsidiary of \$4.39 billion relative to a nil in 2017. This was as related to "the acquisition of Clarien". Consequently, profit before taxation increased 37% to \$25.17 billion relative to \$18.44 billion in 2017.

After accounting for taxation of \$4.22 billion (2017: \$3.72 billion), net profit for the nine months totaled \$20.95 billion, an increase of 42% compared to \$14.72 billion for the corresponding period of 2017. Without the goodwill, net profit would have increased by approximately 13%.

Net profit attributable to shareholders closed at \$20.66 billion for the nine months. Earnings per share (EPS) for the nine months ended June 30, 2018 totalled \$8.38 relative to \$5.97 booked for the comparable period of 2017.

<sup>+</sup>Prices are as at September 05, 2018 \*Projections are made to the company's financial year end

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	138.500	100.000	135.8075	146.810	100.000	136.9400
CAN	106.000	74.250	104.1980	118.800	93.000	104.3864
GBP	178.300	150.360	175.3613	203.160	165.000	177.1257
EURO	155.800	112.870	150.4780	180.600	151.000	160.2168

\*Rates as at September 04, 2018

### MONEY MARKET

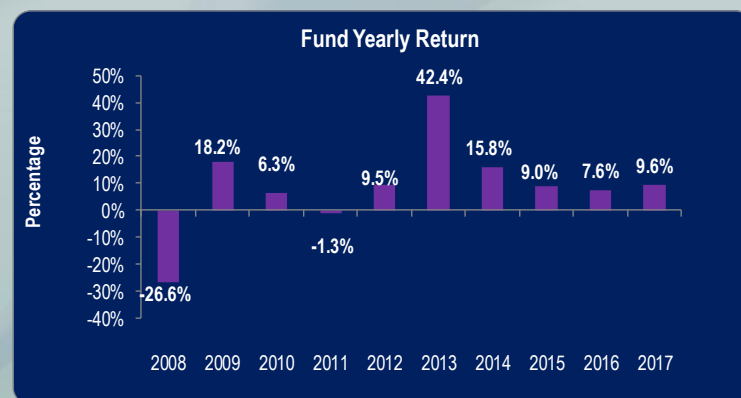
The Jamaican dollar fixed income market was liquid in today's (September 05, 2018) trading session. The overnight rate stood at 0.85% while the 30-day rate ranged between 1.30% and 1.60%.

The US dollar fixed income market was also liquid during today's (September 05, 2018) trading session; The overnight market rates were quoted at 1.20% while the 30-day market rates stood at 1.50% to 1.70%.

### OVER THE COUNTER FUNDS (CI FUNDS)

#### CI American Managers 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 believed to have good growth potential. These companies are located in countries that have signed the North American Free Trade Agreement (NAFTA), or its successor. These countries currently include the United States, Canada and Mexico, but may also include countries that become members of NAFTA in the future. The fund has a 3 year return of 6.6% and a 5 year return of 12.4% as at July 31, 2018. The Fund also has a 10 year return of 9.2%.



U.S.: U.S. Trade Gap Widens Most Since 2015; Record China Deficit

The U.S. trade deficit widened in July by the most in three years and the gap with China hit a record as the Trump administration-imposed tariffs on a range of Chinese goods, prompting retaliatory levies from Beijing. The gap increased 9.5 percent to \$50.1 billion, the biggest since February, from a revised \$45.7 billion in the prior month, Commerce Department data showed Wednesday. Exports fell 1 percent, driven by steep drops in shipments of aircraft and soybeans, while imports rose 0.9 percent in a broad-based gain. A widening trade deficit would drag on growth in the third quarter after a narrower gap -- partly on higher soybean exports ahead of Chinese levies -- helped boost the pace of expansion in the prior period to the fastest since 2014. While other indicators suggest gross domestic product is on track for solid gains in the second half, the latest figures show how President Donald Trump's tariffs may start to weigh on the economy. "If we see tariffs and retaliatory tariffs, it will disrupt the flows of goods and services -- and you've seen some of that," said Stephen Stanley, chief economist at Amherst Pierpont Securities LLC.

<https://www.bloomberg.com/news/articles/2018-09-05/u-s-trade-gap-widens-most-since-2015-china-deficit-hits-record?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 03, 2018	
	Percentage (%)
Yield to Maturity	5.77
Weighted Average Coupon	5.548
Current Yield	4.35

The platinum portfolio has an effective maturity of 13.32 years and duration of 4.45 years.

DISCLAIMER

**Analyst Certification** -The views expressed in this research report accurately reflect the personal views of Mayberry Investments Limited Research Department about those issuer (s) or securities as at the date of this report. Each research analyst (s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation (s) or view (s) expressed by that research analyst in this research report.

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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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

Europe: Euro-Area Businesses Show Warning Signs Amid Solid Growth

Euro-area businesses are starting to feel the heat from recently intensified trade tensions even as economic growth remains solid for now. IHS Markit's Purchasing Manager's Index for manufacturing and services rose to 54.5 in August from 54.3 in July, marginally exceeding a prior flash estimate. The increase masks concern over business prospects, with expectations dropping to their lowest in 23 months. Data so far signal third-quarter economic growth may match the 0.4 percent rate recorded in the previous three months, but the "downturn in optimism raises questions over whether this pace of growth can be sustained into the fourth quarter," said Chris Williamson, an economist at IHS Markit. As the European Central Bank is moving toward ending unprecedented bond buying, frictions between the U.S. and its trade partners over tariffs have raised concerns that economic growth could slow markedly and cloud the inflation outlook. President Mario Draghi has noted that global uncertainties are "prominent," while also reiterating that he's confident price pressures are gradually building in the 19-nation bloc. Input costs rose sharply in August, according to Wednesday's report. Factory-gate inflation was "most acute" in Germany, while price trends remained "relatively subdued" in Italy.

<https://www.bloomberg.com/news/articles/2018-09-05/don-t-be-fooled-by-solid-growth-as-euro-area-draws-warning-signs?srnd=premium>

STRUCTURED PRODUCT

USD Money Market

This portfolio is a full discretionary managed bond portfolio, ideal for clients who have short-term USD liquidity needs. Assets within the portfolio can be used as collateral for loans. The product provides a solid short-term investment option in hard currency and allows the individual to hedge against the prevailing devaluation in the local currency.