



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	CAC	CFE	SGJ	JMMBGL	SALF
Current Price (\$)	9.04	18.96	59.57	30.94	18.99
Trailing EPS (\$)	0.95	0.97	4.67	2.42	1.36
P/E (times)	9.50	19.55	12.77	12.78	13.95
Projected P/E	9.13	17.58	13.68	11.99	12.23
Projected EPS (\$)*	0.99	1.08	4.36	2.58	1.55
Book Value per share (\$)	3.76	4.65	36.29	15.48	8.04
Price/Book Value (times)	2.40	4.08	1.64	2.00	2.36
Dividend Yield (2018 %)	0.88%	1.32%	1.61%	0.87%	2.63%
Volumes	NIL	18,519	244,840	31,520	3,137
Recommendation	BUY	HOLD	SELL	HOLD	BUY

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

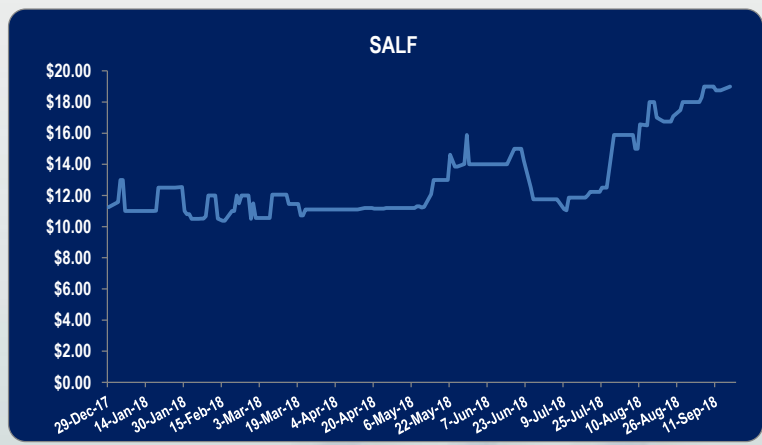
	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	144.100	103.330	135.3706	147.930	100.000	136.7437
CAN	105.800	75.750	104.3184	121.200	96.000	105.7496
GBP	180.500	154.830	176.7778	204.730	167.000	178.6699
EURO	158.900	115.500	154.1647	184.800	145.350	161.2752

*Rates as at September 14, 2018

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (September 17, 2018) trading session. The overnight rate stood at 0.85% to 1.25%, while the 30-day rate ranged between 1.40% and 1.60%.

The US dollar fixed income market was also liquid during today's (September 17, 2018) trading session; The overnight market rates were quoted at 1.20% while the 30-day market rates stood at 1.60% to 1.80%.



STOCK OF THE DAY: Salada Foods Jamaica Limited (SALF)

For the Nine Months ended June 30, 2018:

Salada Foods, recorded a 22% increase in turnover for the nine months to close at \$748.70 million (2017: \$612.80 million). For the third quarter revenue amounted to \$266.43 million (2017: \$208.42 million), a 28% rise. The company highlighted that, "Domestic sales through our distributor continue to perform well representing a net increase of \$51.38 million or 11.8% higher in comparison to the same period prior year. The introduction of the Mountain Bliss 876 brand has bolstered domestic sales, achieving a 45% distribution into the retail market since launch in May of 2018."

Cost of sales for the nine months increased by 15% to close the period at \$455.91 million relative to \$397.72 million in 2017. As such, gross profit amounted to \$292.80 million, a 36% increase year over year from the \$215.08 million booked in the prior year. Gross profit for the third quarter posted a 44% growth to close at \$101.57 million relative to \$70.62 million booked for the comparable quarter in 2017.

Other operating income for the first nine months amounted to \$2.77 million relative to loss of \$1.80 booked in 2017. Administrative expenses fell by 5% to \$89.56 million (2017: \$94.04 million). Also, selling and promotional expense fell by 5% from \$43.46 million in 2017 to \$41.11 million. Management stated that, "This was due to a shift in marketing strategy utilizing social media instead of traditional media sources as we continue to engage a younger audience."

Consequently, this resulted in an operating profit of \$164.90 million, up 118% compared with the \$75.78 million reported for the corresponding nine months for prior year. Operating profit for the third quarter recorded a 162% improvement to \$57.52 million (2017: \$21.99 million). The company reported net finance income of \$15.96 million for the period; this compares to the net finance income of \$10.73 million for the same period in 2017. Profit before taxation increased by 109% to \$180.85 million versus \$86.51 million booked for the previous year's corresponding period.

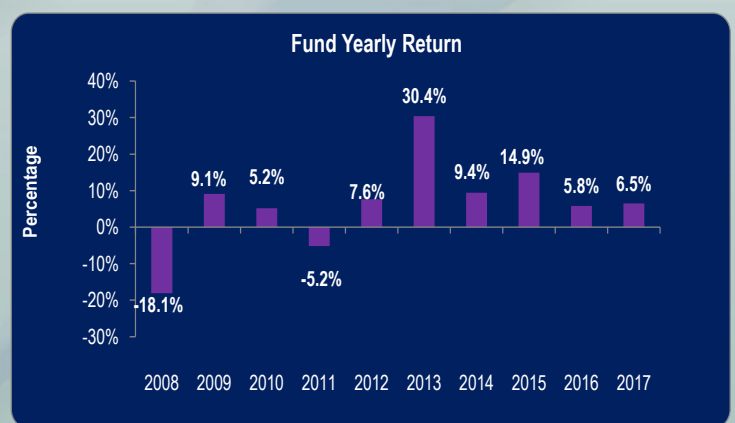
For the nine months ended June 30, 2018 net profit climbed significantly by 116%, from \$63.29 million in 2017 to \$136.85 million following taxation of \$44 million (2017: \$23.22 million). Net profit for the quarter rose by 208% to \$56.58 million in 2018 relative to \$18.38 million in 2017.

Net profit attributable to shareholders for the nine months amounted to \$137.22 million relative to \$65.49 million twelve months earlier. Profit attributable to shareholders for the quarter amounted to \$56.60 million compared to \$19.04 million for the corresponding quarter of 2017. Earnings per stock unit for the nine months amounted to \$1.32 (2017: \$0.63). the EPS for the third quarter was \$0.54 (2017: \$0.18). The trailing twelve-month EPS is \$1.36. SALF stock price closed the trading period on August 09, 2018 at a price of \$15.00.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Corporate Class

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund may make large investments in any country, including emerging markets or emerging industries of any market. The fund has a 3 year return of 7.4% and a 5 year return of 11.2% as at August 31, 2018. The Fund also has a 10 year return of 7.3%.



⁺Prices are as at September 17, 2018 *Projections are made to the company's financial year end

U.S.: Mixed Messages From U.S. Run Risk of Sinking Trade Talks Again

“Mixed messages coming from the U.S. on the trade war with China could sink prospective negotiations before they begin, damaging prospects for a resolution to the growing dispute. With President Donald Trump telling aides to proceed with additional tariff Chinese products, the Chinese government is considering declining the offer of talks, according to a Wall Street Journal report, which cited officials with knowledge of the discussions. Beijing last week welcomed the invitation to meet with U.S. Treasury Secretary Steven Mnuchin, an offer which was then undermined by a tweet from the president. Stocks in Asia and Europe tumbled on Monday and futures for U.S. equities all pointed to a weaker open as a rally late last week on optimism of talks fizzled. The lack of unity within the U.S. administration on trade isn’t new -- Chinese and American officials have held a series of talks over the dispute, and reached at least one agreement which was subsequently abandoned by the President. The lack of progress and collapse of that deal have made future negotiations more difficult, as it’s unclear who speaks for the U.S. administration and there’s a lack of confidence that any deal will be honored.”

<https://www.bloomberg.com/news/articles/2018-09-17/china-u-s-talks-at-risk-amid-trump-s-new-tariff-threat-wsj>

Europe: May Braces for Key Brexit Talks as Johnson Fires New Warning

“Prime Minister Theresa May left no doubt she was prepared to be a “bloody difficult woman” in defense of her Brexit plans and intends to reach a “good deal” with the European Union -- one that lawmakers would have a choice to accept or see Britain crash out of the bloc. “I believe we’ll get a good deal, we’ll bring that back from the EU negotiations and put that to Parliament,” May told the BBC in an interview to be broadcast later Monday. “I think that the alternative to that will be not having a deal.” May’s verdict is aimed at detractors in her own Conservative Party who might reject her Brexit deal. The problem she faces is that any agreement based on keeping close trading ties to the bloc puts her on a collision course with hard-line Euroskeptics in her Conservative Party -- and could trigger a leadership challenge by Boris Johnson. The former foreign secretary doubled down on his criticism of May in his weekly Telegraph column on Sunday, saying she was leading Britain toward a “spectacular political car crash.” European leaders gather in Salzburg, Austria on Wednesday to try to unlock talks which have stalled for months over how to prevent the return of a hard border on the island of Ireland after Brexit. Both sides have tried to “de-dramatize” the issue and are sounding more upbeat that a deal is in reach.

<https://www.bloomberg.com/news/articles/2018-09-17/may-braces-for-key-brexit-talks-as-johnson-fires-latest-warning?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at September 17, 2018	
	Percentage (%)
Yield to Maturity	5.93
Weighted Average Coupon	5.60
Current Yield	5.79

The platinum portfolio has an effective maturity of 15.60 years and duration of 5.74 years.

STRUCTURED PRODUCT

Mayberry Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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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

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