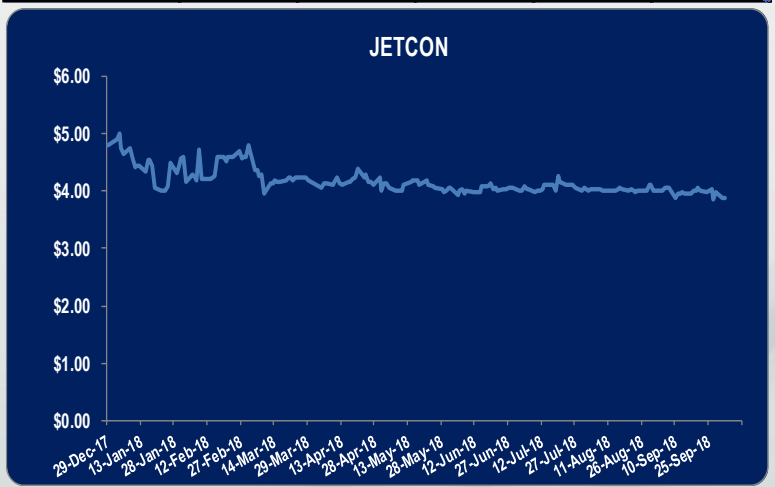


## DAILY RECOMMENDATION



### LOCAL STOCK MARKET: (J\$) +

Stock Symbol	JETCON	CAR	MEEG	JMMBGL	KEX
Current Price (\$)	3.89	9.44	6.28	33.15	11.46
Trailing EPS (\$)	0.28	0.73	0.35	2.38	0.36
P/E (times)	14.13	12.92	17.88	13.95	32.27
Projected P/E	13.15	12.53	17.00	12.84	30.23
Projected EPS (\$)*	0.30	0.75	0.37	2.58	0.38
Book Value per share (\$)	0.82	0.38	1.84	15.48	1.25
Price/Book Value (times)	4.74	24.57	3.41	2.14	9.15
Dividend Yield (2018 %)	0.90%	7.20%	N/A	0.81%	0.61%
Volumes	66,436	405,334	12,457	48,951	8,990
Recommendation	BUY	BUY	HOLD	HOLD	SELL



### STOCK OF THE DAY: JETCON Corporation Limited (JETCON)

#### For the six months June 30, 2018:

JETCON for the six months ended June 30, 2018 reported total turnover of \$605.48 million, 9% more than the \$553.03 million reported for the corresponding period in 2017.

Cost of Sales for the period increased by 11% to 484.26 million (2017: \$438.74 million). As such, Gross Profit for the period increased by 5% to \$120.21 million compared to \$114.30 million in 2017.

Total Expenses for the period increased by 10% to \$38.25 million (2017: \$34.66 million). Selling and Marketing Expenses for the period increased to \$13 million (2017: \$11.04 million), while Administrative and Other Expenses recorded an increase of 13%, closing at \$19.56 million (2017: \$17.23 million). Finance costs closed the period at \$592,682, a 722% increase when compared to the \$72,003 million the prior year. Other operating cost for the six months closed \$5.10 million relative to \$6.32 million booked for the corresponding period 2017.

Consequently, Profit Before Taxation amounted to \$82.88 million relative to \$79.97 million in 2017, representing a 4% increase year-on-year for the period.

There were no taxation charges for the period as such, net profit for the period amounted to \$82.88 million relative to \$79.97 million.

Total comprehensive income for the period amounted to \$82.89 million (2017: \$79.99 million).

As such, the earnings-per-share for the year amounted to \$0.14 relative to \$0.14 last year. The twelve months EPS is 0.27 where the number of shares used in our calculation is 583,500,000. JETCON's last traded price as at August 16, 2018, was \$4.07.

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	136.500	100.000	133.1813	159.490	107.830	134.4794
CAN	123.110	80.320	101.9576	120.600	96.000	105.1049
GBP	208.000	144.330	171.0843	203.760	167.000	175.1482
EURO	153.000	115.860	149.1759	183.130	147.000	156.4394

\*Rates as at October 02, 2018

### MONEY MARKET

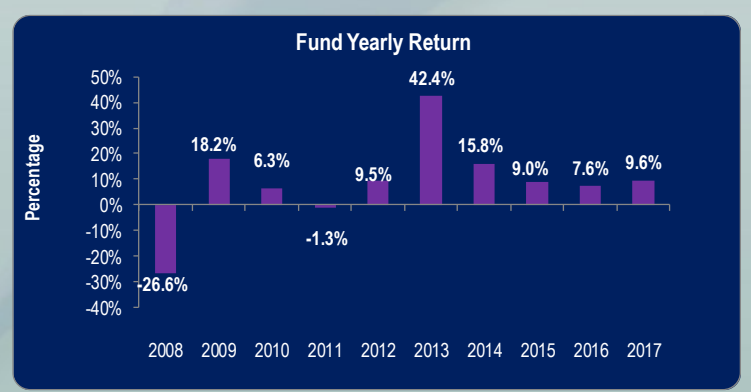
The Jamaican dollar fixed income market was liquid in today's (October 03, 2018) trading session. The overnight rate stood at 0.85% to 1.20%, while the 30-day rate ranged between 1.50% and 1.80%.

The US dollar fixed income market was also liquid during today's (October 03, 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%.

### 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 10% and a 5 year return of 13.3% as at August 31, 2018. The Fund also has a 10 year return of 9.1%.



\*Prices are as at October 03, 2018 \*Projections are made to the company's financial year end

**U.S.: Epic Airbus-Boeing Fight Signals Long U.S.-China Trade War Ahead**

“For the better part of two decades, the U.S. and EU have battled at the World Trade Organization over aircraft makers Boeing Co. and Airbus SE. Complaints and counter-complaints alleged illegal government subsidies. Rulings by the arbiter of global trade were followed by more grumbles and threats of duties. And still the arguments rage on with no sign of a resolution. Now as America and China engage in a volley of tariffs, the inability of the U.S. and EU to resolve their dispute offers a key lesson for the burgeoning trade war: It’s going to be long and hard-fought. While President Donald Trump has talked mostly about the trade balance, the conflict with China runs deeper. The U.S. has pitched it as a battle over the technology industries of the 21st century -- and President Xi Jinping’s explicit strategy to transform China into a global leader in areas such as artificial intelligence, robotics and new-energy vehicles. That’s a direct challenge to the U.S., which charges that Beijing is using methods such as forced technology transfers and illegal government support to pursue its goals. The problem, when it comes to seeking a resolution, is that Xi’s Made in China 2025 strategy is central to China’s ambitions.”

<https://www.bloomberg.com/news/articles/2018-10-03/epic-airbus-boeing-fight-signals-long-u-s-china-trade-war-ahead?srnd=economics-vp>

**Europe: Italian Markets Find Relief After Budget-Deficit Concessions**

“Italian markets got some respite after a report that the government bowed to pressure from the European Union to trim its budget-deficit target. Government bonds snapped four days of declines and the FTSE MIB Index of shares headed for the biggest gain in more than a week after the Corriere della Sera reported that the government will seek to contain the shortfall at 2 percent in 2021, down from 2.4 percent. The target for 2020 will be trimmed to 2.2 percent, while next year’s goal of 2.4 percent will remain, the newspaper said. Markets have struggled to find an equilibrium for Italian debt following the original plan outlined last week, with 10-year yields touching the highest level in more than four years on Tuesday. The Five Star Movement-League coalition still needs to release its economic-growth projections before presenting a draft budget proposal to the European Union Commission by Oct. 15. A number of officials from the bloc have warned that the populists’ plans could be in breach of their rules. “The re-profiling of the deficit path is a constructive response and suggests some reduction in tail risks,” said Peter Chatwell, head of European rates strategy at Mizuho International Plc.”

<https://www.bloomberg.com/news/articles/2018-10-03/italian-bonds-may-find-relief-after-budget-deficit-capitulation?srnd=premium>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at October 01, 2018	
	Percentage (%)
Yield to Maturity	5.87
Weighted Average Coupon	5.54
Current Yield	5.73

The platinum portfolio has an effective maturity of 13.19 years and duration of 4.51 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.

**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.

**Company Disclosure** -The information contained herein has been obtained from sources believed to be reliable, however its accuracy and completeness cannot be guaranteed. You are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. Mayberry may effect transactions or have positions in securities mentioned herein. In addition, employees of Mayberry may have positions and effect transactions in the securities mentioned herein.

**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

**...BULLISH ON JAMAICA**

**MAYBERRY INVESTMENTS LIMITED**  
 A Member of the Jamaica Stock Exchange

1 ½ Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9  
 research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com

