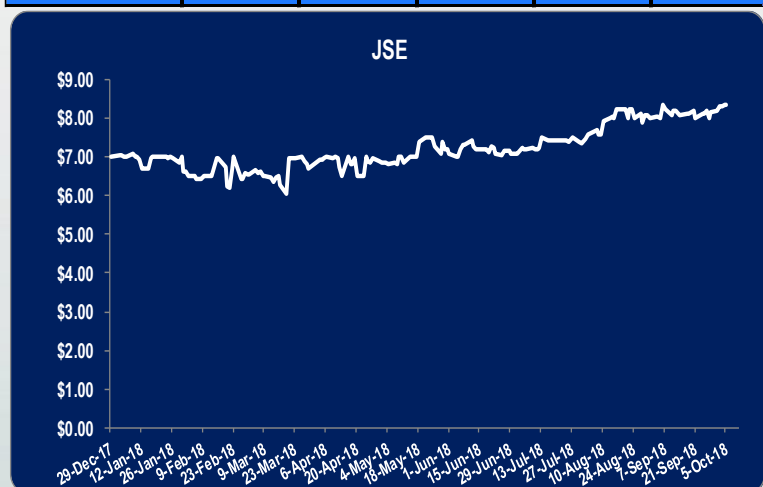


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	JSE	NCBFG	CHL	SEP	SALF
Current Price (\$)	8.34	130.53	13.75	49.53	20.45
Trailing EPS (\$)	0.44	10.16	0.37	1.68	1.36
P/E (times)	18.87	12.85	37.40	29.52	15.03
Projected P/E	14.85	12.76	33.99	28.56	13.17
Projected EPS (\$)*	0.56	10.23	0.40	1.73	1.55
Book Value per share (\$)	1.47	50.36	1.04	18.62	8.04
Price/Book Value (times)	5.69	2.59	13.16	2.66	2.54
Dividend Yield (2018 %)	3.59%	1.07%	1.78%	1.01%	2.44%
Volumes	63,355	609,701	NIL	NIL	NIL
Recommendation	HOLD	HOLD	SELL	SELL	BUY



STOCK OF THE DAY: Jamaica Stock Exchange (JSE)

For the first six months ended June 30, 2018:

For the six months ended June 30, 2018, Jamaica Stock Exchange (JSE) recorded total revenue of \$665.92 million, a 39% increase when compared to the \$477.65 million booked the prior year's corresponding period. For the second quarter the company reported a 34% increase in total revenue to close the quarter at \$316.34 million (2017: \$236.58 million). JSE attributed the movement of the following areas in the six months:

Cess income increased 80% to \$227.33 million relative to \$126.37 million the previous year.

Fee income grew \$92.96 million to close the period at \$388.20 million (2017: \$295.24 million).

E-campus showed a decrease of 14% to \$6.81 million, relative to \$7.94 million in 2017.

Total expenses for the six months increased up by \$68.20 million or 21% moving from \$329.82 million in 2017 to \$398.02 million. Of this:

Staff Costs had a 12% increase for the period totaling \$171.29 million (2017:\$152.78 million). Staff Costs for the quarter increased by \$7.56 million or 10% which was, "due to salaries associated with new staff hires required to support the expansion of current business."

Property expenses climbed \$11.80 million to \$67.38 million during the period under review. In addition, property expenses in Q2 exceeded 2017 by \$8.15 million (30%) which was, "largely associated with expenditure relating to the JSEG Business Continuity Plan."

Other operating expenses increased by 29% to \$25.87 million from \$20.09 million the previous year.

Advertising and promotion declined from the \$34.42 million booked for the 2017 six month's results to \$30.51 million.

As such, JSE reported a net profit of \$191.07 million for the six months compared to a profit of \$101.75 million for the prior year, an 88% advance. Net Profit for the quarter had a 97% increase to total \$89.76 million compared to \$45.51 million the year prior. JSE highlighted, "this represents an improvement of \$44.3 million (97.4%) for the group when compared to the profit of \$45.5 million for the corresponding period in 2017.

Earnings per share for the six months totaled \$0.27 compared to \$0.15 in 2017, the while the trailing earnings per share amounted to \$0.44. EPS for the quarter amounted to \$0.13 (2017: \$0.06) The numbers of shares used in the calculations are 701,250,000 units. JSE stock price last traded on July 18, 2018 at \$7.45.

⁺Prices are as at October 08, 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	135.100	103.200	132.9142	148.350	103.200	133.8003
CAN	111.210	79.440	103.1799	118.400	96.000	103.7064
GBP	174.500	125.450	172.8751	202.200	165.000	173.7704
EURO	152.200	119.040	148.2915	158.610	147.000	156.3803

*Rates as at October 05, 2018

MONEY MARKET

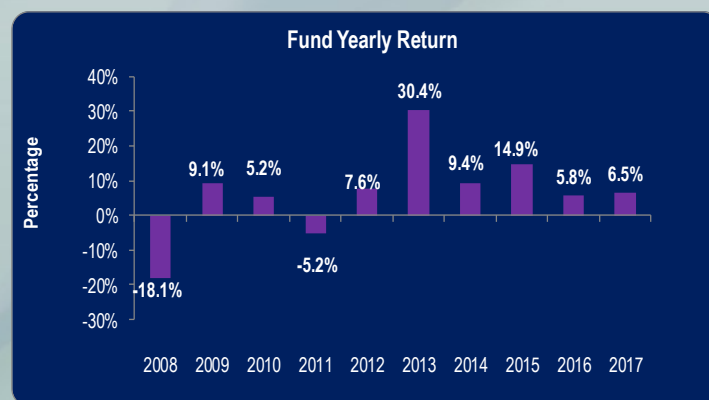
The Jamaican dollar fixed income market was liquid in today's (October 08, 2018) trading session. The overnight rate stood at 0.85% to 1.20%, while the 30-day rate ranged between 1.50% and 1.80%.

The US dollar fixed income market was also liquid during today's (October 08, 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 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 7.1% and a 5 year return of 11% as at August 31, 2018. The Fund also has a 10 year return of 7.2%.



U.S.: Bullard Says U.S. Growth Depends on Productivity Picking Up

"The better-than-expected growth rates in the U.S. economy are set to dissipate unless productivity picks up, Federal Reserve Bank of St. Louis President James Bullard said. "The U.S. will likely need faster productivity growth in order to maintain current real GDP growth rates," Bullard said Monday during a talk in Singapore. "This is a possibility if U.S. investment improves and technological diffusion begins to improve business processes at a faster pace." Bullard, who is among the Fed's most dovish policy makers, said faster-than-expected growth over the last year-and-a-half allowed the U.S. central bank to continue raising interest rates even as inflation was lower than Fed officials expected. In mid-2017, a widely-tracked gauge of U.S. price pressures unexpectedly declined to 1.4 percent before rebounding to its 2 percent target this year. The Fed's interest-rate setting committee voted on September 26 to raise rates for an eighth time in three years, and published projections revealing it expected gradual hikes would continue to be appropriate through 2020. Bullard is not a voting member this year but will be in 2019."

<https://www.bloomberg.com/news/articles/2018-10-08/fed-s-bullard-says-growth-will-slow-unless-productivity-picks-up?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at October 08, 2018	
	Percentage (%)
Yield to Maturity	5.96
Weighted Average Coupon	5.548
Current Yield	6.34

The platinum portfolio has an effective maturity of 13.17 years and duration of 4.43 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, www.bloomberg.com, www.investopedia.com, www.tradewire.com

Asia: China Faces a Bleaker End to 2018 as Central Bank Cuts Reserve Ratio

"China's central bank cut the amount of cash lenders must hold as reserves for the fourth time this year, as policy makers seek to shore up the faltering domestic economy amid a worsening trade war. The cut will release a total of 1.2 trillion yuan (\$175 billion), of which 450 billion yuan is to be used to repay existing medium-term funding facilities which are maturing, the central bank said. The central bank has shifted to looser monetary policies this year as the combined effects of Beijing's financial clean up and the trade conflict with the U.S. threatened the economic expansion. As there's now every sign that the Trump administration intends to continue pressing Beijing on trade and other fronts, China is faced with a more urgent need to support the domestic economy, even if that may increase downward pressure on the currency. "The move is part of policymakers' defensive easing package, in view of headwinds on broad credit growth and more visible activity moderation in September," economists including Robin Xing, chief China economist at Morgan Stanley in Hong Kong wrote in a note. "To keep the economy on the path of soft landing amid persistent trade tensions, we think more easing measures are needed to foster a modest rebound in credit growth." Though further reserve-ratio cuts had been forecast by economists, Sunday's move may offer some reprieve for equity and fixed income investors."

<https://www.bloomberg.com/news/articles/2018-10-07/pboc-cuts-reserve-ratio-for-some-banks-jmyd3lyl?srnd=economics-vp>

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.