

DAILY RECOMMENDATION



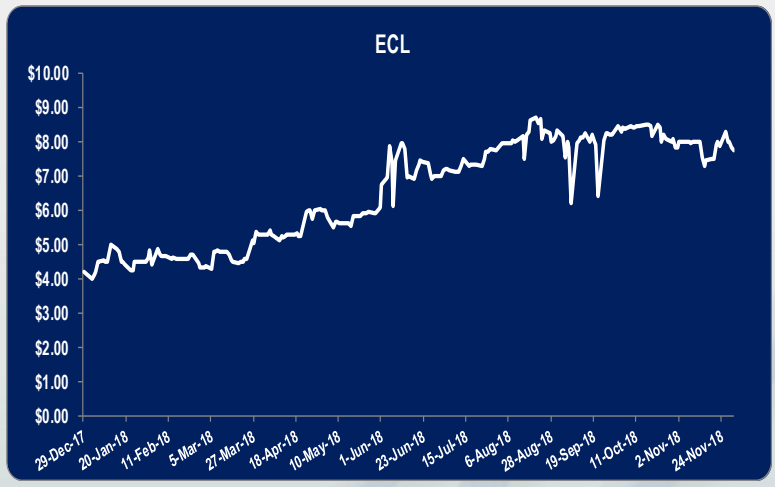
LOCAL STOCK MARKET: (JS) +

Stock Symbol	GENAC	CAR	ECL	WISYNCO	BPOW
Current Price (\$)	3.63	9.36	7.75	10.59	5.45
Trailing EPS (\$)	0.30	0.73	0.30	0.64	0.18
P/E (times)	12.14	12.78	26.08	16.43	30.12
Projected P/E	14.61	12.19	24.62	15.61	26.55
Projected EPS (\$)*	0.25	0.77	0.31	0.68	0.21
Book Value per share (\$)	1.96	0.30	0.62	2.45	1.35
Price/Book Value (times)	1.85	31.39	12.48	4.32	4.04
Dividend Yield (2018 %)	N/A	9.29%	7.05%	1.30%	3.49%
Volumes	2,000	103,177	4,380	148,911	NIL
Recommendation	HOLD	BUY	HOLD	BUY	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	129.300	97.450	125.9415	143.010	97.450	127.7923
CAN	96.800	70.800	95.0725	110.660	90.000	96.0679
GBP	163.000	122.470	159.3572	166.874	155.000	160.0266
EURO	141.500	102.870	138.1198	167.940	137.500	148.7454

*Rates as at November 30, 2018



STOCK OF THE DAY: Express Catering Limited (ECL)

For the three months ended August 31, 2018:

Revenues increased by 7% for the period to US\$4.06 million (Q1 2017: US\$3.81 million). The company commented that "The spending patterns for the First and Second Quarters have traditionally been lower than the rest of the year. We constantly benchmark our minimum revenue growth target to be within the rate of passenger growth".

Cost of sales (COS) increased by 5% for the period to US\$1.09 million (Q1 2017: US\$1.04 million). As a result, gross profit increased year-on-year for the three-month period by 7%, from US\$2.77 million in Q1 2017 to US\$2.97 million in Q1 2018.

Total expenses increased by 5% for the period in review to US\$1.94 million in Q1 2018, up from US\$1.85 million in Q1 2017. This increase was associated with a 5% increase in administrative expenses to US\$1.79 million from US\$1.70 million in 2017. According to the company "Fixed assets expenditure for the quarter was US\$77,787. This was spent mainly to continue the work on the additional Starbucks locations in the Airport. The third of the total planned 3 Starbucks location in the airport was complete just after the close of the quarter". Depreciation and Amortization saw a 2% increase to US\$140,442 compared to US\$137,124 for 2017. Promotion expenses however declined 19% for the quarter from US\$12,095 to US\$9,746.

Consequently, operating profit increased by 12% to US\$1.03 million (Q1 2017: US\$919,479). Finance cost of US\$84,555 (2017: US\$482,000) was booked for the period. This resulted in total comprehensive profit for the year increasing by 12% to US\$937,891 (Q1 2017: US\$834,448).

The twelve-month trailing earnings-per-share was US 0.22 cents while for Q1 2017, it amounted to US 0.057 cents (2017: US 0.051 cents). The number of shares used in our calculations was 1,637,500,000. Notably, ECL closed the trading period on October 18, 2018 at a price of J\$8.45.

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

MONEY MARKET

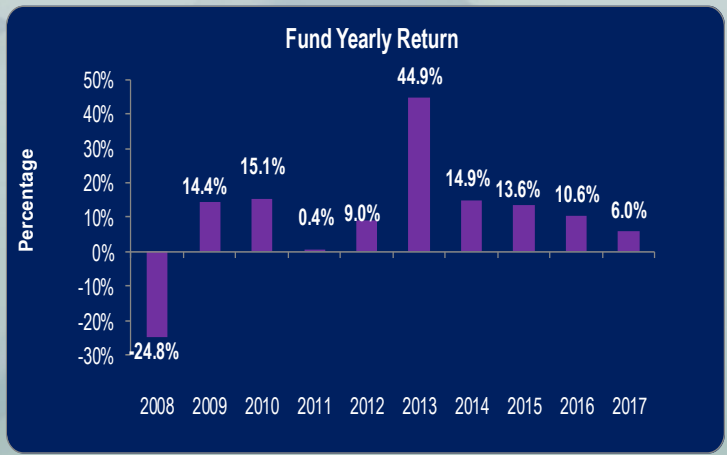
The Jamaican dollar fixed income market was liquid in today's (December 03, 2018) trading session. The overnight rate stood at 1.50%, while the 30-day rate ranged at 2.40%.

The US dollar fixed income market was also liquid during today's (December 03, 2018) trading session; The overnight market rates were quoted at 1.90% while the 30-day market rates stood at 2.70%.

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 4.3% and a 5 year return of 9.2% as at October 31, 2018. The Fund also has a 10 year return of 11.2%.



U.S: Fed's Clarida Says Risk Has Tilted Toward Too-Low Inflation

“The Federal Reserve’s No. 2 official made clear in a discussion about inflation Monday that he remains more concerned about falling short of the central bank’s 2 percent objective than running above it. “In recent decades, the asymmetry has been toward disinflation forces,” Vice Chairman Richard Clarida said in an interview with Bloomberg Television. Asked about the price impacts of globalization, he said that “we are in a world where central banks, including the Fed, are focused on keeping inflation away from disinflation.” Clarida’s comments came just after he expressed little concern about price pressures exceeding the Fed’s target. “We have a symmetric objective around 2 percent,” he said. “Two percent is not meant to be a ceiling. We’ve operated below 2 percent, we could operate somewhat above 2 percent, depending on the shocks.” Clarida’s comments come after he indicated last week that inflation expectations are coming in on the lower end of the range consistent with price stability. The vice chairman’s latest remarks may strengthen the impression that Fed policy makers are not yet convinced they have returned inflation, on a sustained basis, to their long-run objective. The remarks could further reduce expectations the Fed will long continue on its current pace of raising interest rates once a quarter.”

<https://www.bloomberg.com/news/articles/2018-12-03/fed-s-clarida-expresses-concern-over-persistently-low-inflation?smd=economics-vp>

Asia: India's Weakening Economy Adds to Case for RBI to Hold Rates

“India’s economy grew at a much slower pace than economists expected last quarter, giving the central bank more reason to keep interest rates unchanged this week. After breaking through the 8 percent mark in the quarter through June, growth eased to 7.1 percent in the three months through September -- lower than almost all the estimates in a Bloomberg survey -- as back-to-back rate hikes in June and August, a funding squeeze and subdued growth in farming put a brake on the world’s fastest-expanding economy. With inflation already at a 13-month low and oil prices sliding, calls for the Reserve Bank of India to stay on hold on Wednesday -- as most economists expect -- are getting stronger. The RBI kept its benchmark rate unchanged at 6.5 percent in October, lowering its growth forecast for the first quarter of the 2020 fiscal year to 7.4 percent. “We continue to forecast that India’s growth will slow down in 2019,” said Priyanka Kishore, an economist at Oxford Economics in Singapore. “And with cost pressures easing, we now expect the RBI to pause policy for an extended period.” Like elsewhere in Asia, growth in India is coming off the boil amid waning global demand wanes and trade tensions. While the 7 percent-plus expansion still makes India a growth star, the more subdued outlook brings uncertainty to fiscal and monetary policy.”

<https://www.bloomberg.com/news/articles/2018-12-03/india-s-weakening-economy-adds-to-case-for-rbi-to-hold-rates?smd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 03, 2018

	Percentage (%)
Yield to Maturity	6.44
Weighted Average Coupon	5.570
Current Yield	6

The platinum portfolio has an effective maturity of 12.92 years and duration of 4.20 years.

STRUCTURED PRODUCT

Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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

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