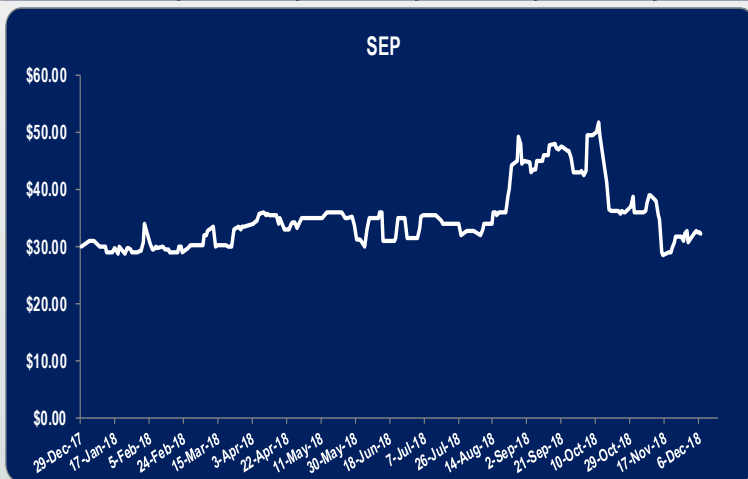


DAILY RECOMMENDATION

LOCAL STOCK MARKET: (J\$) +

| Stock Symbol | SGJ | WISYNCO | SJ | SEP | BIL |
|---------------------------|---------|---------|---------|--------|--------|
| Current Price (\$) | 58.64 | 10.40 | 40.87 | 32.08 | 32.61 |
| Trailing EPS (\$) | 4.10 | 0.63 | 3.02 | 1.53 | 0.84 |
| P/E (times) | 14.29 | 16.50 | 13.52 | 21.03 | 38.88 |
| Projected P/E | 13.84 | 14.95 | 12.93 | 13.45 | 38.37 |
| Projected EPS (\$)* | 4.24 | 0.70 | 3.16 | 2.38 | 0.85 |
| Book Value per share (\$) | 37.17 | 2.45 | 18.79 | 14.66 | 7.30 |
| Price/Book Value (times) | 1.58 | 4.24 | 2.17 | 2.19 | 4.47 |
| Dividend Yield (2018 %) | 2.46% | 1.33% | 2.94% | 1.56% | 3.07% |
| Volumes | 471,694 | 221,266 | 142,802 | 22,517 | 35,028 |
| Recommendation | HOLD | BUY | HOLD | BUY | SELL |



STOCK OF THE DAY: Seprod Limited (SEP)

For the nine months ended September 30, 2018:

Seprod Limited (SEP) posted revenue totalling \$15.50 billion compared to \$12.14 billion recorded for the same period of the prior financial year, representing a 28% increase year over year. The Manufacturing Division recorded a 34% growth to close at \$14.61 billion (2017: \$10.94 billion), while the Distribution Division recorded a slight increase by 1% closing at \$5.24 billion (2017: \$5.20 billion). For the third quarter, Revenue climbed by 34% to total \$5.07 billion relative to \$3.77 billion reported the prior year's corresponding quarter.

SEP noted that, "The 2018 results are bolstered by the transfer of the former Jamaican dairy operations of Nestle within the Group effective 1 January 2018. These operations, located in Bog Walk, St. Catherine, produce the Supligen and Betty products, as well as co-manufacture products for international customers. In 2017, these operations were operated by Seprod under a management services contract and were not included in the Group's results."

Selling Expenses increased slightly by 5% to close the nine months period of 2018 at \$584.64 million (2017: \$558.23 million). However, Administrative Expenses for the period climbed by 84% to total \$3.35 billion versus \$1.82 billion in 2017. For the third quarter, 'Selling Expense' and 'Administrative Expenses' closed at \$348.23 (2017: \$197.23 million) and \$1.07 billion (2017: \$588.80 million), respectively.

As such, Operating Profit grew 45%, moving from \$1.21 billion to \$1.75 to close the nine months period of 2018. For the quarter, operating profit went up 64% to total \$598.63 million (2017: \$364.48 million). Finance costs totalled \$473.44 million (2017: \$252.46 million), an increase of 88% year over year. For the quarter, finance cost closed at \$164.13 million compared to \$82.45 million in the prior comparative quarter.

Profit before taxation increased to \$1.30 billion in 2018, a 45% increase on \$892.25 million reported a year prior. Profit before taxation for the third quarter amounted to \$437.34 million (2017: \$256.40 million).

Seprod reported net profit of \$969.66 million, a growth of 66% relative to last year's corresponding period of \$582.79 million, after incurring taxes of \$327.66 million (2017: \$309.45 million). For the quarter, net profit increased by 207% to \$371.26 million compared to \$120.95 million in 2017. Net Profits attributable to shareholders amounted to \$1.05 billion, a year over year improvement from the \$725.15 million recorded a year earlier. For the third quarter, Net Profit attributable to shareholders totalled \$386.26 million (2017: \$194.16 million).

Consequently, Earnings per share (EPS) for the nine months ended September 30, 2018 amounted to \$1.43 relative to \$0.99 for the corresponding period in 2017. Earnings per share for the third quarter was recorded at \$0.53 (2-17: \$0.26). The twelve months trailing EPS is \$1.53. SEP last traded on November 13, 2018 at \$35.48.

*Prices are as at December 10, 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 | 134.500 | 97.530 | 127.0009 | 146.000 | 97.450 | 128.2448 |
| CAN | 97.900 | 71.280 | 96.5221 | 108.230 | 90.000 | 98.1112 |
| GBP | 165.200 | 129.990 | 158.1118 | 182.090 | 154.000 | 162.9437 |
| EURO | 141.700 | 102.940 | 138.5774 | 165.870 | 138.000 | 145.0168 |

*Rates as at December 07, 2018

MONEY MARKET

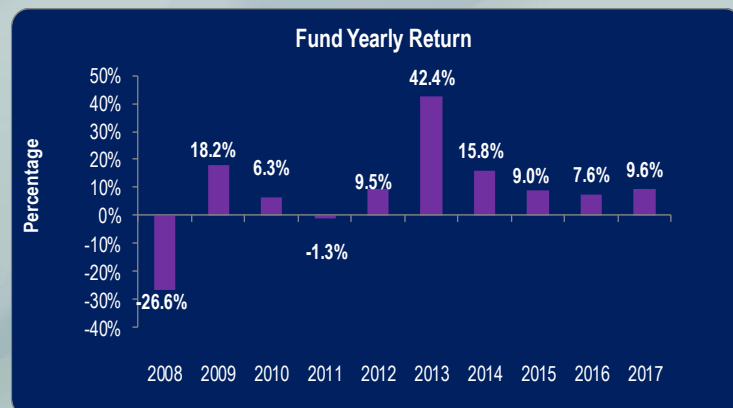
The Jamaican dollar fixed income market was liquid in today's (December 10, 2018) trading session. The overnight rate stood at 1.25% to 1.80% while the 30-day rate ranged at 1.50% to 2.00%.

The US dollar fixed income market was also liquid during today's (December 10, 2018) trading session; The overnight market rates were quoted at 1.50% while the 30-day market rates stood at 1.80% to 2.10%.

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 5.8% and a 5 year return of 10% as at October 31, 2018. The Fund also has a 10 year return of 10.4%.



U.S: JPMorgan, BofA Detect Hints of a U.S. Recession Looming in 2019

“Wall Street’s biggest banks are scouring U.S. data for signals of an impending recession. On balance, they’ve been finding that a 2019 downturn still isn’t likely -- though it’s becoming slightly more so. The current expansion is eight months away from becoming the longest in post-war history. Most indicators remain solid enough to suggest it’ll get there. But the sell-off in stocks and an inversion in part of the bond yield curve has analysts parsing the tea leaves for anything that points to a contraction in 2019. Economists at JPMorgan Chase & Co, Goldman Sachs Group Inc., UBS Group AG and Bank of America Corp. are among those who’ve joined the hunt in their recent research notes. JPMorgan sees a 35 percent chance of a recession next year, close to the highest probability in the current cycle, and up from 16 percent in March. Globally, UBS studied 40 countries over about 40 years and found the U.S. to be among those currently behaving in a way inconsistent with prior peaks. So, if a downturn is creeping into the realm of possibility, it’s hardly the base-case scenario. The alarm bells that usually ring when a recession is imminent are doing a muted job of signalling one. Several indicators are slowing down, but economic data have yet to fall off a cliff.”

<https://www.bloomberg.com/news/articles/2018-12-10/jpmorgan-bofa-comb-data-for-recession-hints-as-markets-tremble?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 10, 2018

| | Percentage (%) |
|-------------------------|----------------|
| Yield to Maturity | 6.37 |
| Weighted Average Coupon | 5.57 |
| Current Yield | 6.03 |

The platinum portfolio has an effective maturity of 12.82 years and duration of 4.15 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: Patel Exit Adds Layer of Risk in India as Modi Gears Up for Vote

“Urjit Patel’s shock exit as governor of the Reserve Bank of India dealt investors another bout of monetary policy uncertainty when they were already bracing for an electoral test of Prime Minister Narendra Modi. Patel, who was nine months from the end of his three-year term as governor, roiled financial markets and surprised the government by quitting on Monday, citing “personal reasons.” He did so ahead of a board meeting on Friday, at which government representatives are expected to push the RBI to do more to ease a cash crunch and hand over more of its excess capital. State election results due Tuesday were already adding to investors’ nervousness before a national election next year. The loss of Patel adds another layer of risk to monetary policy amid economic threats both foreign and domestic. The rupee is among the worst performers in Asia this year, the economy is weakening, and the banking sector is in crisis. “Short-term political gain but with potentially incalculable long-term damage to the commitment to credible economic policy” is how Vivek Dehejia, an associate professor of economics at Carleton University in Ottawa, described on Twitter the consequence of Patel’s exit. It “is a very tragic day for India and for sound economics.”

<https://www.bloomberg.com/news/articles/2018-12-10/india-central-bank-head-quits-amid-rift-with-government?srnd=economics-vp>

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.

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= POSITIVE TRANSFORMATION FOR OUR CLIENTS

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