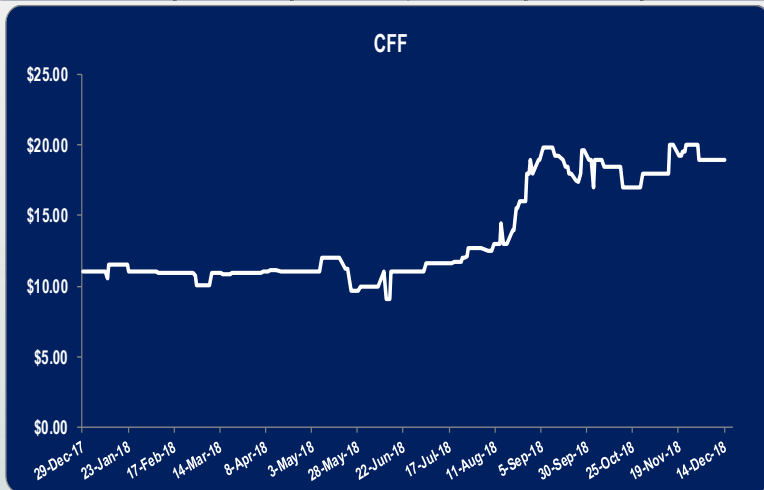


DAILY RECOMMENDATION

LOCAL STOCK MARKET: (J\$) ⁺

Stock Symbol	CFF	SEP	GENAC	SALF	PROVENJA
Current Price (\$)	19.00	31.16	3.42	31.00	26.50
Trailing EPS (\$)	1.05	1.44	0.30	2.11	1.27
P/E (times)	18.08	21.59	11.44	14.66	20.86
Projected P/E	16.68	13.07	13.77	13.51	18.73
Projected EPS (\$)*	1.14	2.38	0.25	2.29	1.41
Book Value per share (\$)	4.71	14.66	1.96	9.04	17.74
Price/Book Value (times)	4.03	2.12	1.74	3.43	1.49
Dividend Yield (2018 %)	1.32%	3.05%	4.25%	3.39%	3.64%
Volumes	NIL	142,852	NIL	NIL	NIL
Recommendation	HOLD	BUY	HOLD	BUY	SELL



STOCK OF THE DAY: Caribbean Flavours and Fragrances Limited

For the quarter ended September 30, 2018: -

Revenue amounted to \$120.14 million, an increase of 21%, when compared with the \$99.59 million booked last year. CFF noted, "The quarter was primarily attributed to our refining of our order fulfilment procedures".

Cost of sales rose by 19% to \$75.55 million compared to 2017's total of \$63.25 million for the first quarter.

This resulted in gross profit increasing by 23%, to \$44.59 million, relative to \$36.34 million for last year. According to management, "The company expects that there will be improvements in our performance in the next reporting period as we expect sales of 'Flavorfit', our sugar reduction solution to gain traction. We will continue with the refinement of our strategies and the improvement to our various cost structures in order to drive the desired efficiency whilst improving cost of sales and gross profit."

Administrative Expenses increased 21% to \$23.58 million (2017: \$19.47 million), while Selling and Distribution Costs decreased by \$228,000 to \$758,000 (2017: \$986,000) for 2018.

Net Finance increased grew to \$5.03 million in 2018 from \$2.12 million for the same period of 2017.

Profit before taxation totalled \$25.28 million (2017: \$18.00 million), an increase of 40%. No taxation was booked for the period under review.

Earnings per share for the first three months ended September 30, 2018 amounted to \$0.28 (2017: \$0.20). The twelve months trailing EPS is \$1.05. The number of shares used in the calculation was 89,920,033 units. CFF closed the trading period on November 14, 2018 at a price of \$20.00.

According to the management of CFF, "The company will continue with the implementation of Business Plans which are anchored on the pillars of revenue growth and expense management in order to deliver on the desired results."

*Prices are as at December 17, 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	130.900	94.460	127.5443	148.090	102.630	129.0300
CAN	100.082	72.140	91.0711	107.990	90.000	96.9452
GBP	166.000	123.770	156.9995	180.680	151.750	159.1231
EURO	163.510	102.880	137.7905	167.510	138.100	145.0339

*Rates as at December 14, 2018

MONEY MARKET

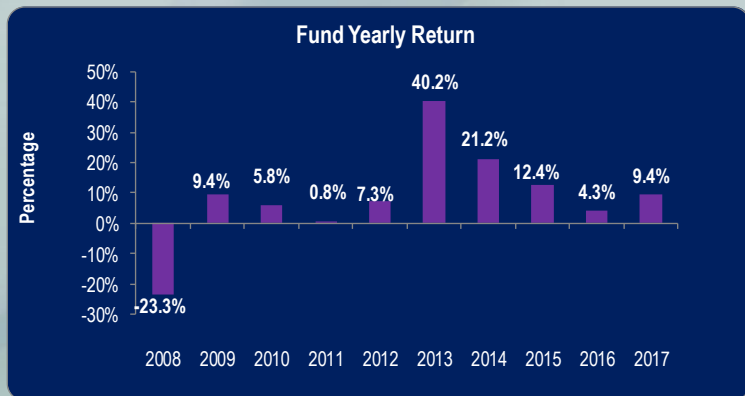
The Jamaican dollar fixed income market was liquid in today's (December 17, 2018) trading session. The overnight rate stood at 1.25% to 1.80% while the 30-day rate ranged at 1.50% to 2.00%.

The US dollar fixed income market was also liquid during today's (December 17, 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 Value Corporate Class

This fund's objective is to provide superior returns with a limited level of risk by investing in a diversified portfolio of high quality undervalued companies. It invests primarily in equity and equity-related securities of companies in the United States. Any change to the investment objective must be approved by a majority of votes cast at a meeting of shareholders held for that reason. The fund has a 3 year return of 6.0% and a 5 year return of 10.8% as at November 30, 2018. The Fund also has a 10 year return of 11.1%.



U.S: Stocks Decline With Dollar at Start of Fed Week: Markets Wrap

"U.S. equity futures fell with Europe stocks after a mixed session in Asia as markets looked to the Federal Reserve for hints on how a volatile year may end. Benchmark Treasury yields steadied at around 2.88 percent. Contracts on the Dow, S&P and Nasdaq all drifted lower and retailers led declines in the Stoxx Europe 600 Index as Asos Plc plunged after warning that its Christmas shopping season got off to a disastrous start. Treasury yields held Friday's drop and the yen nudged higher after a bout of risk aversion hammered global equities in recent sessions. The dollar fell after a strong week. Malaysia turned up the heat on Goldman Sachs Group Inc., filing criminal charges against the U.S. bank. With the Federal Reserve this week seen raising interest rates for a fourth time in 2018, Chairman Jerome Powell's remarks will be closely studied for clues to policy for next year. Global growth forecasts for next year are being trimmed as a trade war between the biggest economies bites and markets reel from a volatile 2018. Meanwhile, political uncertainty still grips investors. There are yet more personnel changes within the Trump administration and confusion remains over Britain's future relationship with the European Union."

<https://www.bloomberg.com/news/articles/2018-12-16/asia-stocks-set-to-edge-lower-after-u-s-drop-markets-wrap?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 17, 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: Chinese Factories Cut Prices, Lay Off Workers in Trade War: UBS

"Chinese factories are responding to threats of a trade war by reducing prices, workers and investment, according to UBS Group AG. Some 86 percent of companies affected by U.S. tariffs reported a decline in orders, according to a survey of 200 chief financial officers in manufacturing firms with significant export business. While most have plans to diversify into less trade-heavy sectors, they don't expect to fully offset weaker demand. A squeeze on corporate margins and employment threatens to deepen a slowdown in the world's second-largest economy. UBS predicts a 90-day truce agreed between U.S. President Donald Trump and China's leader Xi Jinping is only a temporary respite, putting the probability of a lasting agreement before March at less than 15 percent. "Most companies expect the trade war to escalate," analysts led by Wang Tao wrote, predicting that export growth will slow to 4 percent in 2019 from 11 percent this year. With that will come more price cuts and more layoffs in the next six months, according to the report. The Chinese government has rolled out measures including tax breaks and subsidies to cushion the impact of tariffs on exporters, a strategy UBS expects will continue in 2019."

<https://www.bloomberg.com/news/articles/2018-12-17/chinese-factories-cut-prices-lay-off-workers-in-trade-war-ubs?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.

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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