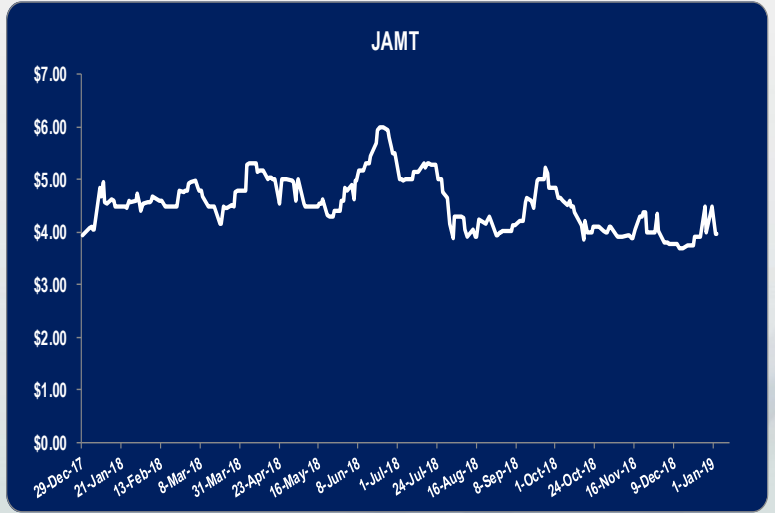


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS) +

Stock Symbol	JAMT	SALF	GENAC	CAR	KPREIT
Current Price (\$)	4.00	31.50	3.38	9.43	6.00
Trailing EPS (\$)	0.29	2.11	0.30	0.73	0.20
P/E (times)	13.82	14.90	11.30	12.88	29.41
Projected P/E	13.41	13.73	13.61	12.28	30.90
Projected EPS (\$)*	0.30	2.29	0.25	0.77	0.19
Book Value per share (\$)	1.82	9.04	1.96	0.30	5.62
Price/Book Value (times)	2.20	3.49	1.72	31.63	1.07
Dividend Yield (2018 %)	1.50%	3.33%	4.30%	9.23%	1.25%
Volumes	500	NIL	75,107	155,620	NIL
Recommendation	HOLD	BUY	HOLD	BUY	SELL



STOCK OF THE DAY: Jamaican Teas Limited (JAMT)

For the year ended September 30, 2018: -

Jamaican Teas Limited (JAMT) reported a 14% increase in revenues to total \$1.77 billion (2017: \$1.55 billion). For the quarter, revenues amounted to \$422.12 million (2017: \$357.64 million). JAMT highlighted that, "the Company's focus on driving revenues in our core business resulted in fourth quarter revenues from our manufacturing operations growing 20 percent for both exports and domestic sales. Supermarket sales increased by 9 percent."

JAMT further indicated that, "For the year, export sales increased by a strong 24 percent, domestic manufacturing revenues grew 12 percent and supermarket revenues rose 6 percent. The growth in exports in 2017/8 exceeded the average rate of export growth of almost 17 per cent in US\$ experienced in the eight preceding years."

Cost of sales increased by 17% to \$1.43 billion (2017: \$1.22 billion). As a result, gross profit grew 2% to \$337.61 million (2017: \$330.16 million). For the quarter, gross profit closed at \$73.05 million relative to \$87.39 million reported in the previous corresponding quarter. The company mentioned that, "The improved sales results experienced in the quarter are not reflected in the Group's gross profits which were flat, primarily as a result of a \$15 million profit deterioration at H Mahfood and Sons Ltd arising from increased construction and remediation costs incurred to finish the Orchid Estates housing development."

Administrative expenses increased by 3% to \$180.73 million for the year ended September 2018 relative to \$175.14 million for the same period of 2017. Sales and Marketing costs went up by 14% totaling \$42.31 million (2017: \$37 million). For the quarter administrative expenses and sales & marketing costs closed at \$50.07 million (2017: \$54.74 million) and \$4.05 million (2017: \$11.74 million), respectively.

Pre-tax profits fell by 7% for the year end, decreasing from \$219.16 million in 2017 to \$202.85 million. JAMT incurred tax expenses of \$9.59 million compared to \$23.03 million during the 2017 comparable period. For the quarter, pretax profit amounted to \$59.70 million (2017: \$53.78 million). The Company indicated that, "this increase was primarily because of lower borrowing costs and the elimination of losses at Bay City Foods Ltd, our associated company."

Net profit for the year contracted 1% to \$193.26 million relative to \$196.13 million recorded twelve months earlier. Profit for the fourth quarter rose 33% to close at \$60.68 million (2017: \$45.47 million). JAMT stated that, "Net profit for the year is lower than the prior year primarily due to the non-recurrence of the \$29 million gain on the acquisition of KIW reported last year but not repeated this year."

However, for the year net profit attributable to shareholders climbed slightly by 2% to close the period at \$198.55 million (2017: \$194.59 million). While for the quarter, net profit attributable to shareholders went up by 53% totaling \$66.88 million compared to \$43.63 million in the prior comparable quarter.

Consequently, earnings per share totaled \$0.289 compared to \$0.284 for the year ended September 30, 2018, while for the quarter, the EPS was \$0.097 (2017: \$0.064). The numbers of shares used in the calculations are 686,033,460 units. JAMT last traded on December 21, 2018 at \$3.90.

*Prices are as at January 04, 2019 *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	130.350	92.210	126.7711	147.860	120.000	128.7787
CAN	97.000	70.610	92.7592	106.100	88.000	94.9185
GBP	165.000	121.590	156.7614	177.150	151.000	161.2420
EURO	142.200	102.220	135.3876	167.510	136.300	141.1994

*Rates as at January 03, 2019

MONEY MARKET

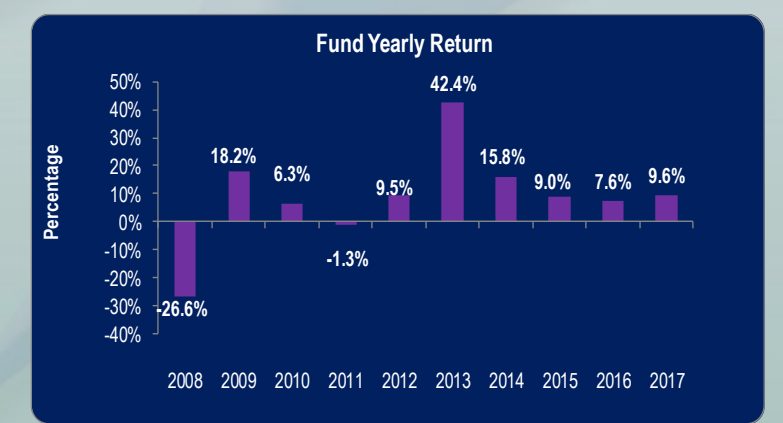
The Jamaican dollar fixed income market was liquid in today's (January 04, 2019) trading session. The overnight rate stood at 1.00% to 2.10% while the 30-day rate ranged at 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today's (January 04, 2019) trading session; The overnight market rates were quoted at 1.00% to 2.3% while the 30-day market rates stood at 2.00% to 2.75%.

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 6.1% and a 5 year return of 9.4% as at November 30, 2018. The Fund also has a 10 year return of 11.7%.



U.S: Stocks Soar as Powell, Jobs Reinvalidate Bulls: Markets Wrap

“Stocks surged, the dollar weakened, and Treasuries tumbled with gold as a risk-on tone gripped financial markets after investors got good news on the economy, Federal Reserve policy and trade tensions. The S&P 500 rallied 3.4 percent, the Dow Jones Industrial Average roared higher by almost 750 points and the Nasdaq 100’s surge topped 4 percent. All of the blue-chip index’s 30 members advanced. The rally didn’t surpass the post-Christmas breakout, but it ranked among the steepest of the bull market. Stocks opened sharply higher after data showed a spike in hiring last month that was accompanied by faster wage growth and an increase in participation, abruptly tamping down concern that a recession was growing likely. Stocks surged to session highs after Jerome Powell said Fed policy is flexible and officials are “listening carefully” to the financial markets. Futures had advanced overnight on news the U.S. and China will hold trade talks next week. The convergence of good news for equity markets emboldened fixed-income bears, who had been hammered in recent weeks as investors sought havens. The 10-year Treasury yield spiked above 2.65 percent, halting a rout that took it down 25 basis points in the prior week. Gold pulled back sharply after briefly topping \$1,300 an ounce overnight. The yen weakened. The biggest leveraged loan exchange-traded fund, Invesco Senior Loan ETF, jumped.”

<https://www.bloomberg.com/news/articles/2019-01-03/asia-stocks-to-track-u-s-losses-on-growth-worries-markets-wrap?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at December 31, 2018	
	Percentage (%)
Yield to Maturity	6.67
Weighted Average Coupon	5.539
Current Yield	6.59

The platinum portfolio has an effective maturity of 13.71 years and duration of 4.59 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.

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

Europe: Euro-Area Economy on Weak Footing Faces 2019 Uncertainties

“The euro-area economy is on a weak footing as it faces perilous uncertainties in 2019, from home-grown political difficulties to global stock-market turmoil and trade wars. The first significant batch of data released at the start of the year showed inflation was lower than expected in December and confirmed earlier reports that growth in manufacturing and services eased to the weakest since 2014. An increasingly anemic economy -- weakened by slower global growth and the impact of protectionist policies -- will test the resolve of the European Central Bank in sticking to its plans to gradually pare back stimulus. Policy makers already walked a fine line in December by downgrading economic forecasts at the same time as ending net asset purchases that have helped buoy euro-area demand. ECB Executive Board member Benoît Coeuré put up a show of confidence on Friday, saying the expansion is “comfortable” in the euro area and “strong” at a global level. At the same time, he reiterated that interest rates will remain low for a long time and said the decision to stop bond buying is an inflection rather than a turning point in the central bank’s strategy. “There is a slowdown because of worries about trade and there is still a risk of financial crisis,” Coeuré said in an interview on French radio France Inter. “We must be very vigilant.” Weaker inflation underlines policy makers’ stance that any exit from unconventional stimulus must be gradual.”

<https://www.bloomberg.com/news/articles/2019-01-04/euro-area-economy-on-weak-footing-faces-2019-uncertainties?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

...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

