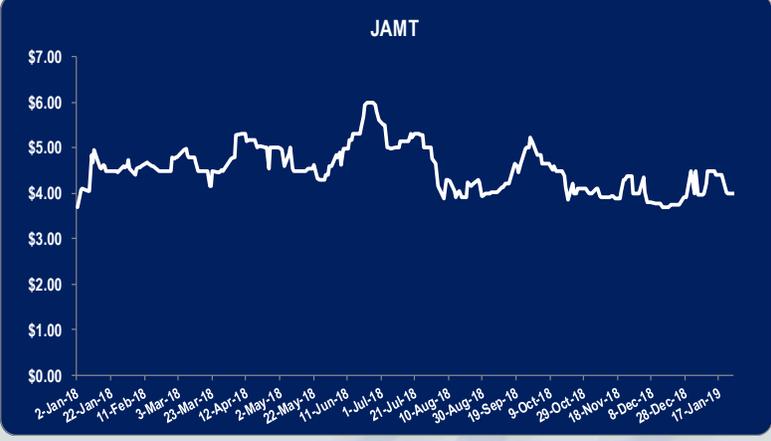




### LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	JAMT	BPOW	MDS	JETCON	ISP
Current Price (\$)	3.70	5.25	6.60	3.15	12.03
Trailing EPS (\$)	0.29	0.24	0.43	0.20	0.44
P/E (times)	12.79	22.30	15.40	15.41	27.60
Projected P/E	12.40	19.57	14.19	16.86	27.97
Projected EPS (\$)*	0.30	0.27	0.46	0.19	0.43
Book Value per share (\$)	1.82	1.48	2.59	0.87	2.98
Price/Book Value (times)	2.04	3.54	2.55	3.62	4.04
Dividend Yield (2018 %)	1.52%	0.45%	2.10%	0.73%	N/A
Volumes	6,850	NIL	NIL	50,100	6,800
Recommendation	BUY	HOLD	HOLD	HOLD	SELL



### STOCK OF THE DAY: Jamaican Teas Limited (JAMT)

#### For the nine months 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.”

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.”

<sup>+</sup>Prices are as at January 28, 2019 \*Projections are made to the company’s financial year end

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.000	97.890	131.4060	146.640	100.040	133.4783
CAN	102.000	74.920	99.4711	107.060	90.000	101.2537
GBP	175.350	126.070	167.3606	186.070	153.000	170.9572
EURO	161.810	107.050	147.2676	165.070	135.000	156.5045

\*Rates as at January 25, 2019

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today’s (January 28, 2019) trading session. The overnight rate stood at 1.90% to 2.20% 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 28, 2019) trading session; The overnight market rates were quoted at 2.0% to 2.30% while the 30-day market rates stood at 2.10% to 2.60%.

### 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 1.9% and a 5 year return of 6.6% as at December 31, 2018. The Fund also has a 10 year return of 11.2%.

The fund has a 3 year return of 3.8% and a 5 year return of 7% as at December 31, 2018. The Fund also has a 10 year return of 7.9%.



**U.S: Shutdown Dents Consumer Sentiment for Some Republicans in Poll**

The U.S. Treasury Department is set to maintain elevated sales of long-term debt to finance the government's widening budget deficit, with new issuance projected to top \$1 trillion for a second-straight year. Many strategists at primary-dealer firms predict that this Wednesday's quarterly refunding announcement will see the Treasury maintain note and bond sales at the record high levels they have boosted them to in recent months. The total amount of 3-, 10- and 30-year securities to be offered at next week's refunding auctions is seen by most at \$84 billion. While that's \$1 billion more than the total for these maturities three months ago, that's only because the size of the three-year sale was already nudged higher in December. A heightened supply of Treasury securities follows tax cuts and government spending increases implemented under the current administration. That's darkening a fiscal outlook already made worrisome by rising entitlement-program expenses and higher costs to service America's nearly \$16 trillion in debt. The Federal Reserve's balance-sheet runoff is also adding to supply, forcing Treasury Secretary Steven Mnuchin to tap the public for more funding. "We've seen deficits continue to blow out," said Brian Edmonds, head of interest-rates trading at Cantor Fitzgerald in New York. "We are going to see more and more supply." Cantor, along with dealers including Citigroup Inc., TD Securities, Deutsche Bank AG and Wells Fargo Securities, sees the Treasury keeping auction sizes unchanged for nominal coupon-bearing debt.

<https://www.bloomberg.com/news/articles/2019-01-28/another-year-another-1-trillion-in-new-debt-for-u-s-to-raise?srnd=premium>

**Europe: German Business Confidence Deteriorates Amid Heightened Risks**

Policy makers had an intense debate over how to assess and describe the stumbling blocs facing the euro-area economy, according to central-bank officials familiar with the matter. The Governing Council made a deliberate choice to steer clear of a previously used phrase that the balance of risks was "tilted to the downside," the people said, asking not to be named because the meeting was private. At the heart of the discussion was uncertainty over the nature of the slowdown and whether it is temporary or persistent, the people said. An ECB spokesman declined to comment. Draghi hinted at the disconnect when he said some governors argued that much of the current weakness is likely to wash out once uncertainty over trade prospects dissolve, while others cautioned that a broad deterioration across all industries was threatening confidence. The decision to change the risk assessment was unanimous, he said. Executive Board member Benoit Coeure, a contender to become the next ECB president, said in a Bloomberg TV interview from the World Economic Forum that the scale of the economy's deceleration surprised officials. "Risks to global trade have materialized," he said. "A lot of the uncertainty is political, has political sources, first and foremost global trade." Villeroy de Galhau, also tipped to be in the running to succeed Draghi later this year, told Bloomberg TV in Davos that "part of the slowdown is temporary." In the medium term, growth will be supported by favourable financing conditions, employment and wage gains, as well as low energy prices, he said.

<https://www.bloomberg.com/news/articles/2019-01-25/ecb-can-sound-more-confident-in-economy-by-cutting-its-forecasts?srnd=economics-vp>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at January 28, 2019	
	Percentage (%)
Yield to Maturity	6.42
Weighted Average Coupon	5.539
Current Yield	5.74

The platinum portfolio has an effective maturity of 13.58 years and duration of 4.69 years.

**STRUCTURED PRODUCT**

**Mayberry Managed Equity Portfolio (MMEP)**

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

**DISCLAIMER**

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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

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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