

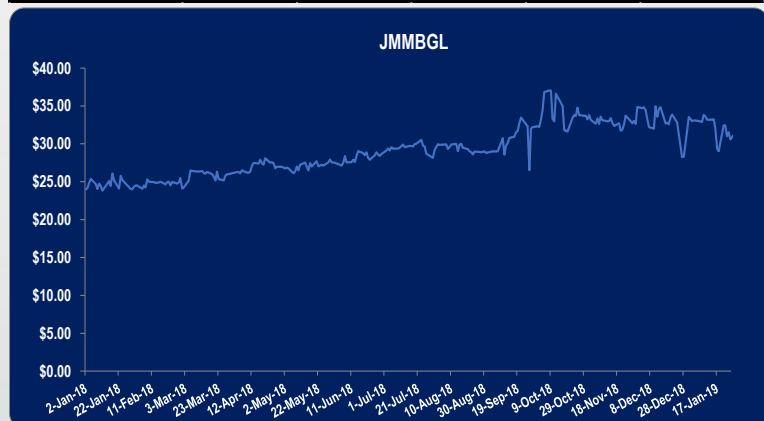
MAYBERRY INVESTMENTS LIMITED

DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	ECL	CAC	SGJ	ISP	JMMBGL
Current Price (\$)	7.05	12.60	51.30	12.03	31.85
Trailing EPS (\$)	0.27	0.58	4.10	0.44	2.40
P/E (times)	25.90	21.75	12.50	27.60	13.26
Projected P/E	22.40	20.86	12.11	27.97	12.27
Projected EPS (\$)*	0.31	0.60	4.24	0.43	2.60
Book Value per share (\$)	0.15	3.78	37.17	2.98	16.36
Price/Book Value (times)	47.49	3.33	1.38	4.04	1.95
Dividend Yield (2018 %)	13.14%	1.23%	3.70%	N/A	2.14%
Volumes	31,584	NIL	15,273	NIL	11,286
Recommendation	BUY	HOLD	HOLD	SELL	BUY



STOCK OF THE DAY: JMMB Group Limited - (JMMBGL)

For the nine months ended September 30, 2018: -

JMMB Group Limited - (JMMBGL) booked net interest income of \$4.35 billion compared to \$3.76 billion in 2017, an increase of 16%. Of this, interest income grew by 11% to close at \$8.67 billion, from the \$7.83 billion booked in 2017, while interest expenses increased by 6% to total 4.32 billion relative to \$4.07 billion in the prior year.

Fees and commission income for the period amounted to \$1.19 billion, an improvement of 50% on the \$797.10 million recorded for last year's corresponding period. Foreign exchange margins from cambio trading recorded an increase of 133% year over year to close the quarter at \$1.27 billion (2017: \$544.70 million), while net gains from securities trading showed a decline of 17% totalling \$2.50 billion (2017: \$3.01 billion).

Operating revenue net of interest expense for the six months improved 15% to \$9.32 billion versus \$8.13 billion in 2017. JMMBGL recorded an impairment loss on financial assets of \$172.05 million, 4% up from the \$165.01 million booked for the same period in 2017.

Operating expenses amounted to \$6.38 billion, a year over year growth of 12% (2017: \$5.67 billion) which led to an operating profit of \$2.78 billion, an increase when compared to the \$2.29 billion booked the year prior. According to JMMBGL, "This was attributed primarily to costs associated with our integrated Group sales and support framework coupled with the continued build-out of commercial banking services in Jamaica."

Other income booked for the period declined 49% to \$28.63 million relative to a total \$56.63 million reported for the corresponding period in 2017. As such, the JMMBGL booked profit before taxation of \$2.80 billion for the period, 19% higher than the \$2.35 billion recorded in 2017. Following taxes of \$731.39 million (2017: \$680.94 million), JMMBGL booked a 24% increase in net profit to \$2.07 billion compared to \$1.67 billion reported for the similar period of 2017.

Net profit attributable to the shareholders of the company totalled \$2.03 million relative to \$1.67 million in 2017, a 22% improvement year over year. Net profit attributable to the shareholders of the company for the quarter totalled \$1.10 billion, 4% higher than \$1.06 billion in 2017. As a result, earnings per share (EPS) for the six months amounted to \$1.25 (2017: \$1.03), while for the EPS for the quarter was \$0.67 (2017: \$0.65). The twelve month trailing EPS amounted to \$2.40 where the number of shares used in the calculations amounted to 1,630,552,530 units. Notably, JMMBGL's stock price closed trading on November 14, 2018 at \$33.40

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	136.500	100.000	133.3341	148.310	100.613	134.8630
CAN	104.100	76.580	101.7789	108.020	90.000	102.2788
GBP	173.500	135.370	166.1492	189.070	159.000	171.6773
EURO	150.000	108.720	146.9477	156.800	136.000	149.6148

*Rates as at February 12, 2019

MONEY MARKET

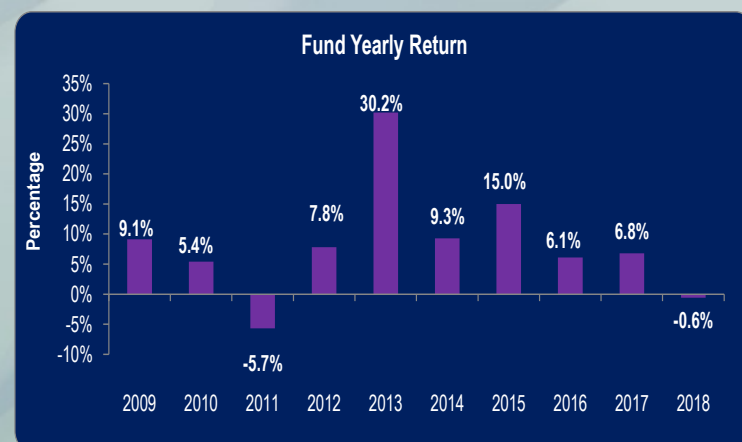
The Jamaican dollar fixed income market was liquid in today's (February 13, 2019) trading session. The overnight rate stood at 1.90% to 2.10% while the 30-day rate ranged at 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today's (February 13, 2019) trading session; The overnight market rates were quoted at 2.0% to 2.30% while the 30-day market rates stood at 2.40% to 2.60%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Value Fund

This fund's objective is to obtain maximum long-term capital growth by identifying securities that the portfolio advisor believes are undervalued and have the potential for future growth. It invests primarily in equity and equity-related securities of companies around the world. The fund may make large investments in any country, including emerging markets or emerging industries of any market. The fund has a 3 year return of 6.0% and a 5 year return of 7.8% as at December 31, 2018. The Fund also has a 10 year return of 9.0%.



U.S: Trump Edges Toward Border Deal to Avert a ‘Terrible’ Shutdown

“President Donald Trump is eyeing a path to avoid another government shutdown where he would reluctantly accept the congressional border-security deal and attempt to tap other funds for his wall. Trump is likely to grudgingly sign the legislation and then immediately use his executive authority to fund additional border measures, said a person who talked to the president Tuesday and asked not to be identified to discuss private conversations. “I don’t want to see a shutdown. A shutdown would be a terrible thing,” Trump told reporters Wednesday in the Oval Office. But he wouldn’t commit to signing the legislation, saying he would wait until the White House reviews the final version. “We’ll be looking for landmines because you could have that, you know,” Trump added. “We’ll take a very serious look at it.” Trump’s team has concerns on some provisions that may be included in the legislation based on briefings they have received, said a White House official who spoke on condition of anonymity. The official declined to comment on what specific provisions may be problematic.”

<https://www.bloomberg.com/news/articles/2019-02-13/trump-edges-toward-taking-shutdown-averting-border-deal?srnd=premium>

Europe: U.K. Inflation Below Target Gives BOE Brexit Breathing Space

“Weaker-than-forecast U.K. inflation may be offering Bank of England policy makers a reprieve as they struggle to peer through the “fog of Brexit.” The rate fell back below the central bank’s 2 percent target for the first time in two years in January, reducing pressure on policy makers as they face a possible no-deal Brexit that could hit the economy with fresh barriers to trade as well as weaker productivity and investment. While Governor Mark Carney has even said a no-deal outcome, the most disastrous economically, could force the bank to raise interest rates, markets have been skeptical that they would actually do so. Investors have priced-out any rate increases this year, and many BOE watchers say it’s more officials would return to their post-referendum playbook and ease policy. “Given that the bank would be unable to raise rates if inflation was stronger than expected, it’s a relief to see that inflation has been coming down,” Thanos Papasavvas, chief investment officer at ABP Invest, said in a Bloomberg Television interview. “If there should be this worst-case scenario and the currency weakens, it will not create an inflationary shock.”

<https://www.bloomberg.com/news/articles/2019-02-12/carney-says-u-k-slowdown-underscores-need-for-brexit-certainty?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 11, 2019	
	Percentage (%)
Yield to Maturity	6.3
Weighted Average Coupon	5.539
Current Yield	5.56

The platinum portfolio has an effective maturity of 13.55 years and duration of 4.72 years.

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.

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
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