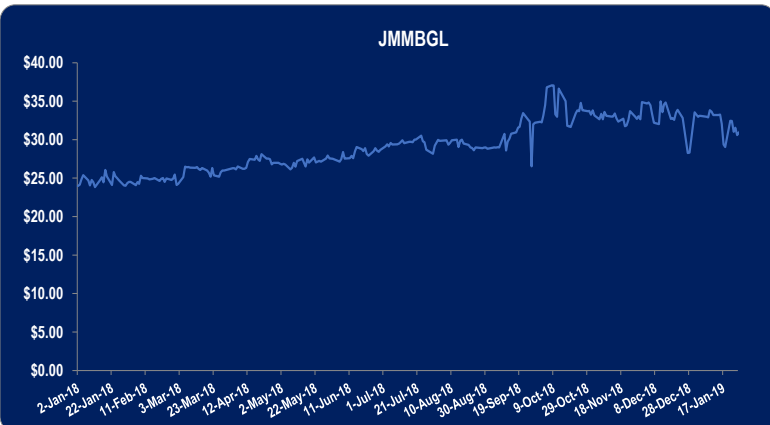


# MAYBERRY INVESTMENTS LIMITED

## DAILY RECOMMENDATION

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

Stock Symbol	CCC	JMMBGL	FTNA	WISYNCO	PROVENJA
Current Price (\$)	48.23	32.96	3.85	11.84	27.50
Trailing EPS (\$)	2.90	2.44	0.20	0.69	1.30
P/E (times)	16.65	13.49	19.04	17.05	21.20
Projected P/E	13.37	13.28	16.35	15.23	20.72
Projected EPS (\$)*	3.61	2.48	0.24	0.78	1.33
Book Value per share (\$)	7.54	15.38	0.73	2.66	16.47
Price/Book Value (times)	6.40	2.14	5.28	4.46	1.67
Dividend Yield (2018 %)	N/A	2.14%	N/A	1.13%	3.85%
Volumes	146,631	81,877	211,257	549,686	-
Recommendation	BUY	HOLD	HOLD	BUY	SELL



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

#### For the nine months ended December 31, 2018:-

JMMB Group Limited (JMMBGL) recorded net interest income of 6.68 billion, an 18% increase when compared with \$5.66 billion recorded for the corresponding period in 2017. Interest expenses increased 6% to total \$6.44 billion relative to the \$6.07 billion recorded for the same period in 2017.

Fees and commission income for the period amounted to \$1.84 billion, an improvement of 40% on the \$1.31 million recorded last year as the company noted this was, "due to significant growth in managed funds and collective investment schemes across the Group." Net gains from securities trading showed a decline of 24%, to total \$3.34 billion (2017: \$4.39 billion).

Dividend income for the nine months declined 16% to close at \$13.02 million relative to \$15.44 million recorded for the same period in 2017. Foreign exchange margins from cambio trading advanced 113%, totalling \$1.90 billion (2017: 891.63 million).

Operating expenses amounted to \$9.48 billion, a growth of 9% (2017: \$8.71 billion) which led to an operating profit of \$4.05 billion, an increase of 18% when compared to the \$3.43 billion booked the year prior. JMMBGL recorded an impairment loss on financial assets of \$243.62 million (2017: \$143.98 million) and other income of \$36.84 million (2017: \$67.50 million).

This resulted in a profit before taxation amount of \$4.09 billion, a 17% increase over the \$3.49 billion recorded for the corresponding period in 2017. Taxation for the period amounted to \$1.07 billion a 17% increase compared with the \$915.21 million recorded for the same period for 2017.

Consequently, JMMBGL booked a 17% increase in net profit for the period to total \$3.02 billion compared to \$2.58 billion reported for the similar period of 2017. Net profit for the quarter amounted to \$946.37 million a 4% improvement relative to the \$908.93 million reported for the same period 2017.

Net profit attributable to the shareholders of the company totalled \$2.97 billion relative to \$2.54 billion in 2017, a 17% increase year over year. For the quarter, JMMBGL booked net profit attributable to shareholders of \$939.06 million relative to \$871.14 million reported for the corresponding quarter of 2017.

<sup>+</sup>Prices are as at February 21, 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	135.300	100.650	132.0554	147.400	104.620	133.2579
CAN	102.760	76.770	96.5664	108.580	93.500	100.9100
GBP	173.000	132.000	167.0942	189.080	155.000	172.5267
EURO	149.548	110.000	145.1937	166.090	138.000	151.6776

\*Rates as at February 20, 2019

### MONEY MARKET

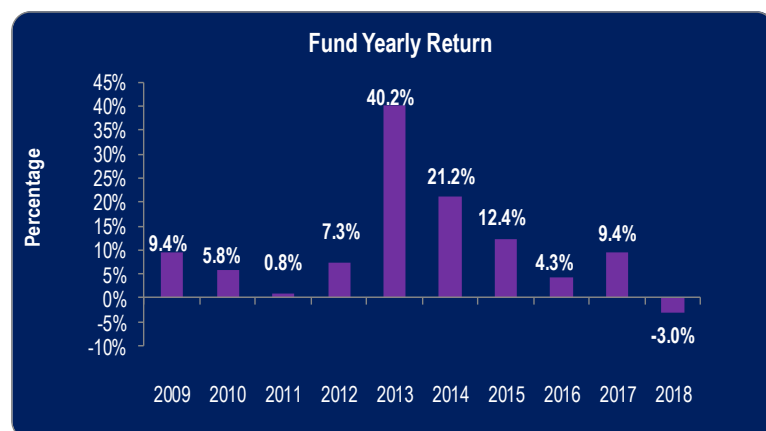
The Jamaican dollar fixed income market was liquid in today's (February 21, 2019) trading session. The overnight rate stood at 1.50% to 1.90% while the 30-day rate ranged at 2.30% to 2.50%.

The US dollar fixed income market was also liquid during today's (February 21, 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 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 3.4% and a 5 year return of 8.6% as at December 31, 2018. The Fund also has a 10 year return of 10.2%.



## U.S: Fed Minutes Show Officials Unsure on Need for Rate Hikes in 2019

Federal Reserve officials widely favored ending the runoff of the central bank's balance sheet this year while expressing uncertainty over whether they would raise interest rates again in 2019, minutes of their January meeting showed. "Almost all participants thought that it would be desirable to announce before too long a plan to stop reducing the Federal Reserve's asset holdings later this year," according to the record of the Federal Open Market Committee's Jan. 29-30 gathering released Wednesday. "Such an announcement would provide more certainty about the process for completing the normalization of the size of the Federal Reserve's balance sheet," the minutes said, referring to the rolloff of assets from the balance sheet that began in late 2017. Launched as an emergency measure to protect the economy during the financial crisis, it has declined to about \$4 trillion from a peak of \$4.5 trillion in 2015. "They will have a permanently gigantic balance sheet," said Ward McCarthy, chief financial economist at Jefferies LLC. "They always said it would be larger than precrisis, but earlier commentary suggested it would something significantly smaller." The minutes also elaborated on the dovish message delivered three weeks ago when the FOMC said it will be "patient," signaling it had put rate hikes on hold and was prepared to be more flexible on shrinking the balance sheet.

<https://www.bloomberg.com/news/articles/2019-02-20/fed-minutes-show-officials-unsure-on-need-for-rate-hikes-in-2019>

## PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 18, 2019	
	Percentage (%)
Yield to Maturity	6.30
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.

## 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](http://www.jamstockex.com), [www.bloomberg.com](http://www.bloomberg.com), [www.investopedia.com](http://www.investopedia.com), [www.tradewire.com](http://www.tradewire.com)

## Europe: Talks Between U.K. and EU End Without Agreement: Brexit Update

Theresa May sent two of her key ministers to Brussels to find a way out of the Brexit impasse, as the threat of a chaotic no-deal breakup grows. There was no breakthrough, but further talks will take place, an EU official said. May needs at least some evidence of progress by next week, when lawmakers are once again threatening to wrest control of the Brexit process from her. Key developments: U.K. official plays down the chances of a revised deal being agreed in time for next week after Chancellor Philip Hammond suggests it could be put to Parliament in days, May is trying to prevent ministers rebelling against her next week and Sterling weakens, and volatility jumps. Theresa May wrote to the three Tory MPs who defected from the party on Wednesday and rejected their claim that it has been taken over by a right wing anti-EU membership. "I do not accept the picture you paint of our Party," she wrote. "We are the moderate, open hearted Conservative Party." Anna Soubry, Heidi Allen and Sarah Wollaston said in their letter of resignation that hardline "entryists" are "subsuming" the party. It had happened "much as the hard left has been allowed to consume and terminally underline the Labour Party," they wrote. "I was sorry to read, and do not accept, the parallel you draw with the way Jeremy Corbyn and the hard left have warped a once-proud Labour Party and allowed the poison of anti-Semitism to go unchecked," May replied.

<https://www.bloomberg.com/news/articles/2019-02-21/hammond-says-commons-could-vote-on-deal-next-week-brexit-update?smd=premium-europe>

## STRUCTURED PRODUCT

### Mayberry Platinum

The Mayberry Platinum portfolio is ideal for investors seeking a short to medium-term investment with returns denominated in hard currency. The portfolio comprises Investment Grade corporate and sovereign bonds, which provide strong yield and performance. The primary objective of this product is to provide our clients with income as well as capital appreciation. The Platinum portfolio enables the client to take full advantage of a diversified bond portfolio and is ideal for persons who do not have the time to actively manage their own portfolio.

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 1/2 Oxford Road, Kingston 5, Jamaica. (876) 929 1908 – 9  
[research@mayberryinv.com](mailto:research@mayberryinv.com) [sales@mayberryinv.com](mailto:sales@mayberryinv.com) [www.mayberryinv.com](http://www.mayberryinv.com)