

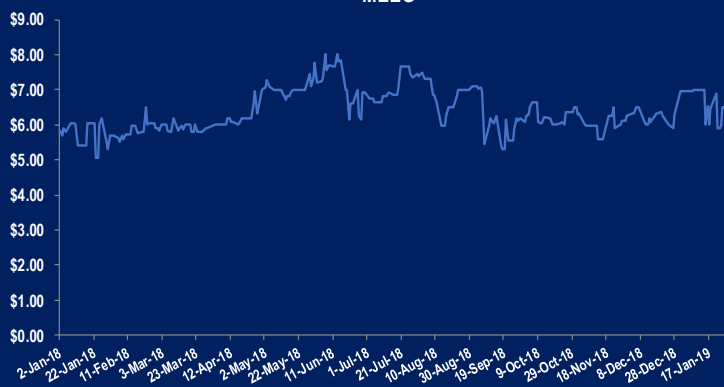
MAYBERRY INVESTMENTS LIMITED

DAILY RECOMMENDATION

LOCAL STOCK MARKET: (JS) ⁺

Stock Symbol	GENAC	LASF	MEEG	GK	INDIES
Current Price (\$)	4.43	4.63	5.60	58.74	2.78
Trailing EPS (\$)	0.29	0.24	0.32	4.04	0.09
P/E (times)	15.47	19.49	17.75	14.54	30.95
Projected P/E	13.48	17.24	15.91	13.75	29.14
Projected EPS (\$)*	0.33	0.27	0.35	4.27	0.10
Book Value per share (\$)	2.01	1.29	1.80	48.65	0.50
Price/Book Value (times)	2.20	3.58	3.11	1.21	5.54
Dividend Yield (2018 %)	5.20%	N/A	N/A	3.08%	N/A
Volumes	5,575	4,000	6,657	107,235	25,735
Recommendation	BUY	HOLD	HOLD	HOLD	SELL

MEEG



STOCK OF THE DAY: Main Event Entertainment Group Limited (MEEG)

For the year ended October 31, 2018:

Main Event Entertainment Group Limited (MEEG) for the year ended October 31, 2018 recorded a total of \$1.40 billion in revenue compared to \$1.18 billion booked for the period ended October 31, 2017. Revenue for the quarter rose 42% to close the quarter at \$331.49 million relative to \$233.65 million booked for the corresponding period in 2017.

Cost of sales for the year increased 24% year over year to \$757.14 million relative to \$610.26 million. Gross profit for the year thus improved 13% to \$640.12 million (2017: \$565.17 million). Gross profit for the quarter increased 9% from \$117.68 million reported for October 2017 to \$128.47 million.

MEEG booked other income of \$2.59 million for the financial year, 16% higher than the prior year's \$2.23 million.

Total expenses rose 19% to \$527.72 million versus \$443.77 million recorded for 2017. Of this: Administrative and general expenses climbed 15% to \$417.99 million (2017: \$362.10 million).

Depreciation expense increased 23% to \$90.37 million (2017: \$73.44 million). Selling and promotion expense jumped 136% to \$19.37 million relative to \$8.22 million. Total expenses for the quarter amounted to \$132.82 million, 21% higher relative to last year's comparable quarter of \$109.83 million.

Consequently, operating profit for the year declined 7% to \$114.98 million (2017: \$123.63 million).

Finance cost year over year, increased by approximately 28% to \$19.80 million (2017: \$15.45 million).

MEEG recorded profit before taxation of \$95.18 million, a 12% drop when compared to last year's corresponding period of \$108.18 million.

The company reported \$524,000 (2017: \$7.14 million) for taxes during the year, resulting in net profit totaling \$94.66 million compared to \$101.05 million booked last year, a 6% decline year over year. MEEG reported net loss of \$10.82 million for the fourth quarter versus a net loss of \$107,000 for the comparable period in 2017.

⁺Prices are as at February 26, 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	132.640	101.810	129.7311	145.070	104.470	131.0237
CAN	102.740	77.440	99.4617	108.070	91.000	100.0067
GBP	172.500	131.000	165.7341	189.070	159.000	169.5527
EURO	146.017	110.000	140.4957	167.070	141.000	148.2032

*Rates as at February 25, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (February 26, 2019) trading session. The overnight rate stood at 1.40% to 1.60% 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 26, 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 6.7% and a 5 year return of 9.4% as at January 31, 2019. The Fund also has a 10 year return of 11.2%.

Fund Yearly Return



U.S.: U.S. Farmers Fear Trump's Assault on WTO Hurts Them

Donald Trump's attack on the World Trade Organization has U.S. farmers worried that the president's 'America first' foreign policy approach will hamstring efforts to defend their interests. The U.S. is strangling the ability of the WTO, which oversees the rules for nearly \$23 trillion in commerce every year, to resolve disputes among its 164 members. But when the WTO's appellate body becomes incapacitated later this year, even the U.S. cases, of which there are at least two pending meant to protect American agriculture, would be derailed "The entire global trading system and the WTO dispute resolution process have been good for U.S. agriculture," Ben Conner, the vice president of policy at the Washington-based U.S. Wheat Associates, said in an interview. If the two U.S. claims are appealed, they "could be among the first to get stuck in legal limbo without a functioning appellate body," he said. Agriculture has become a contentious political issue given Trump's strong support in farm states, as global players such as China and the European Union use their huge consumption of American commodities as leverage in trade negotiations. The trade war has led the U.S. Department of Agriculture to predict that farm exports will fall by \$3 billion in 2019 and caused the Trump administration to authorize a \$12 billion aid package to help farmers affected by the dispute.

<https://www.bloomberg.com/news/articles/2019-02-26/u-s-farmers-fear-trump-s-wto-assault-puts-them-in-crosshairs?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at February 25, 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.

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: How Hong Kong's Property Slump Could Clobber the Economy

Real estate is the main game in Hong Kong, and as the drop in housing prices nears correction territory, concern is mounting about the toll the downturn will exact on the city's economy. Home values in the world's most expensive property market have fallen about 9 percent from their August peak as the China-U.S. trade war and potential rate hikes hurt consumer confidence. While the likes of JPMorgan Chase & Co. say prices will bottom this quarter, Jones Lang LaSalle Inc. says there's worse to come, forecasting home values will slump a further 15 percent in 2019. In a city where land is in short supply, the government is able to generate a large amount of revenue from selling vacant plots. Land sales were the biggest contributor to government coffers in the fiscal year ended March 2018. That also makes the administration highly reliant on the fortunes of the property market. This year's budget, to be released Wednesday, will probably show the surplus will shrink 63 percent in fiscal 2019, largely because of diminished income from land sales, according to Deloitte LLP. When the SARS outbreak crushed Hong Kong's property market in 2003-04 -- slashing the revenue contribution from land sales to just 3 percent -- the budget deficit came in at more than HK\$40 billion (\$5 billion). With land-sales revenue at a two-decade high, it's unlikely the good times will last.

<https://www.bloomberg.com/news/articles/2019-02-25/where-property-goes-in-hong-kong-so-goes-the-city-s-economy?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 1/2 Oxford Road, Kingston 5, Jamaica. (876) 929 1908 - 9
research@mayberryinv.com sales@mayberryinv.com www.mayberryinv.com