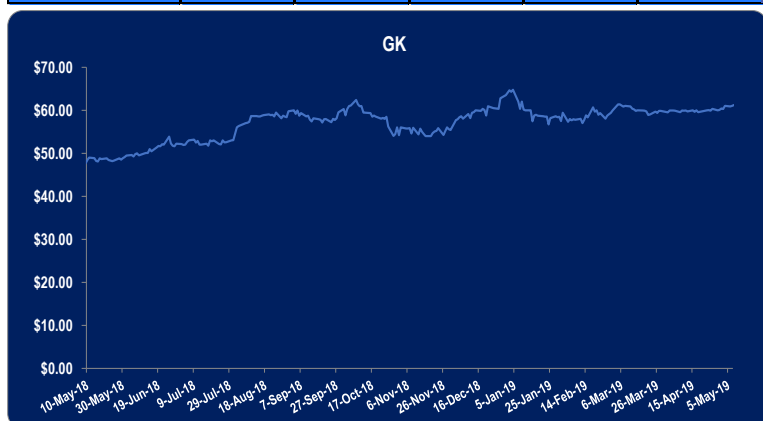


LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	CAC	LASD	GK	SALF	WISYNCO
Current Price (\$)	11.25	3.89	61.27	31.01	14.26
Trailing EPS (\$)	0.30	0.31	5.03	1.63	0.75
P/E (times)	36.94	12.52	12.18	18.99	19.14
Projected P/E	24.60	14.49	10.87	92.93	18.63
Projected EPS (\$)*	0.46	0.27	5.63	0.33	0.77
Book Value per share (\$)	3.49	1.48	44.84	8.27	2.77
Price/Book Value (times)	3.23	2.62	1.37	3.75	5.14
Dividend Yield (2018 %)	N/A	N/A	3.08%	9.33%	1.13%
Volumes	NIL	335,790	55,186	2,060	421,521
Recommendation	SELL	HOLD	BUY	SELL	HOLD



## STOCK OF THE DAY: Grace Kennedy Limited (GK)

For the year ended December 31, 2018:

GraceKennedy Limited (GK) recorded revenue of \$97.54 billion for the period (2017: \$92.48 billion, a year over year increase of 5%). Revenue for the quarter of 2018 improved by 2% to \$23.72 billion (2017: \$23.18 billion).

The Food Trading Business reported revenue of \$77.1 billion. Banking & Investments booked revenue of \$5.77 billion (2017: \$5.98 billion), Insurance revenue closed at \$6.98 billion (2017: \$6.04 billion), while Money Services amounted to \$7.68 billion (2017: \$7.85 billion).

Total expenses amounted to \$94.40 billion relative to \$88.94 billion booked in 2017, indicating a 6% growth compared to twelve months earlier. Expenses for the quarter amounted to \$22.79 billion, up from \$22.68 billion for the same quarter in 2017. As such, gross profit for the year end amounted to \$3.14 billion relative to \$3.53 billion booked for the comparative period of 2017. Gross profit for the quarter closed at \$928.04 million compared to \$494.17 million reported for the quarter of 2017.

Other income for the year-end period grew by 67% to total \$3.49 billion (2017: \$2.09 billion). While for the quarter, other income closed at \$1.22 billion relative to \$394.83 million in the prior corresponding period. Interest income from non-financial services rose 13% to total \$427.50 million compared to \$378.21 million reported in the prior year's corresponding period. Interest expenses from non-financial services amounted to \$581.87 million versus \$662.86 million a year earlier, a 12% reduction.

Share of results of associated companies totaled \$490.87 million, compared to \$484.97 million reported for December 2017. For the quarter, share of results of associated companies amounted to \$169.43 million (2017: \$67.27 million). Pretax profits increased by 20% to approximately \$6.96 billion compared to pretax profit of \$5.82 billion documented for the year ended December 2017. Additionally, GK incurred taxation expenses amounting to \$1.32 billion compared to \$1.05 billion in the prior corresponding quarter.

Consequently, net profit increased by 18% to \$5.64 billion from \$4.77 billion booked for the corresponding period of 2017. For the quarter, net profit closed at \$1.93 billion (2017: \$1.02 billion). Net Profits attributable to shareholders amounted to \$5.01 billion compared to \$4.12 billion in the previous year's corresponding period. Net profit attributable to shareholders for the quarter amounted to \$1.79 billion, up from \$801.12 million booked for the same quarter of 2017.

Earnings per share for the period amounted to \$5.03 (2017: \$4.14), while for the quarter, GK booked an EPS of \$0.81 (2017: \$0.70). The number of shares used in our calculations is 994,886,892 units.

<sup>+</sup>Prices are as at May 9, 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	140.165	103.000	136.0684	150.579	103.000	137.1934
CAN	101.000	79.115	97.0465	110.664	92.900	102.9489
GBP	180.350	139.645	173.9514	194.000	165.000	179.3748
EURO	150.000	115.000	148.5840	169.920	142.800	153.8304

\*Rates as at May 8, 2019

## MONEY MARKET

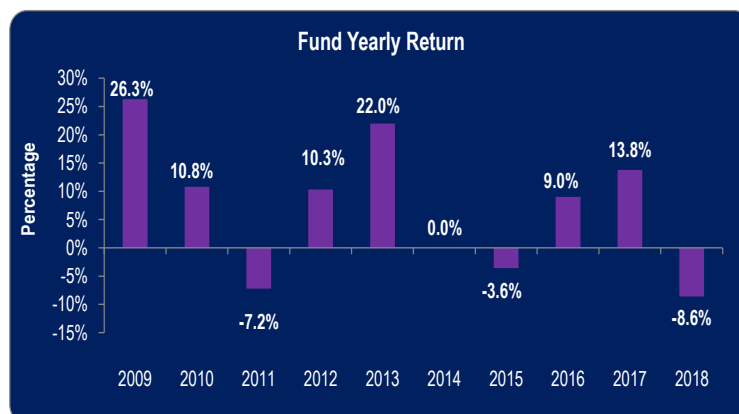
The Jamaican dollar fixed income market was liquid in today's (May 9, 2019) trading session. The over night rate stood at 1.10% to 1.20% while the 30-day rate ranged at 2.20% to 2.40%.

The US dollar fixed income market was also liquid during today's (May 9, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

## OVER THE COUNTER FUNDS (CI FUNDS)

## CI Global Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world. The fund has a 3 year return of 7.2% and a 5 year return of 3.7% as at March 31, 2019. The Fund also has a 10 year return of 8.9%.



**U.S.: Fed's Bostic Warns Consumers May Feel Hit on China Tariff Boost**

Escalating tariffs on Chinese goods could push U.S. businesses to pass on these higher costs to consumers, said Atlanta Fed President Raphael Bostic, hours before a deadline set by President Donald Trump to raise them to 25% from 10% on \$200 billion of products. “There is a concern voiced by the business leaders I have talked to that says if we go to 25% on a broader set of goods, you are going to start to see that passed through into the consumer space,” he said Thursday in New Orleans ahead of the 12:01 a.m. deadline. “The businesses I have talked to have said we are willing to forbear on 10%. 25% is a whole ‘nother game.” U.S. inflation has actually been too weak for the Fed’s comfort, rather than too strong, persistently undershooting the central bank’s 2% target and prompting officials to signal no interest-rate increases this year despite unemployment at a 49-year low. Concerns over too-low inflation have fanned bets the Fed will cut borrowing costs in the next 12 months.

<https://www.bloomberg.com/news/articles/2019-05-09/fed-s-bostic-warns-consumers-may-feel-hit-on-china-tariff-boost?srnd=economics-vp>

**PLATINUM PORTFOLIO**

Platinum Portfolio Yield Measures as at May 6, 2019	
	Percentage (%)
Yield to Maturity	6.00
Weighted Average Coupon	5.526
Current Yield	5.12

The platinum portfolio has an effective maturity of 13.52 years and duration of 4.70 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: Tusk Warns France and Germany Against Monopolizing EU’s Top Jobs**

European Council President Donald Tusk warned that the EU’s biggest powers shouldn’t be tempted to make a grab for all the top jobs as the bloc prepares to appoint a new leadership team. There has to be a “geographical balance as well as a demographic balance so that both large and small countries are represented in the highest positions of the European Union,” Tusk, a Pole, told reporters after a summit Thursday. The EU has to be “brave enough to protect smaller and weaker and newer countries,” he added. With Tusk’s replacement as head of the leaders’ council as well as new presidents of the Commission and the European Central Bank to be named later this year, EU members staked out their initial positions at the gathering in Sibiu, Romania. Tusk called another summit for May 28 — two days after the elections for the EU parliament — to discuss the appointments in depth. France’s Emmanuel Macron led opposition to the so-called Spitzenkandidat approach that would let the winner of this month’s EU parliamentary elections name the commission chief. That would make either Manfred Weber, a German conservative, or Frans Timmermans, a social democrat from the Netherlands, the likely successor to Jean-Claude Juncker.

<https://www.bloomberg.com/news/articles/2019-05-09/trump-says-china-broke-the-deal-in-trade-talks-with-u-s?srnd=premium-asia>

**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.

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