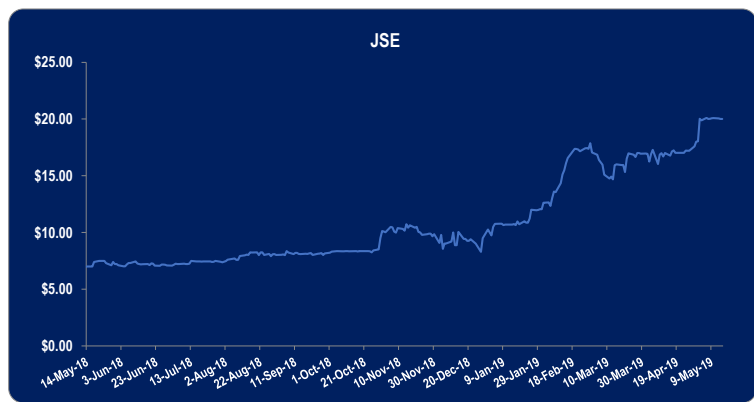




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	INDIES	FOSRICH	CAR	JSE	WISYNCO
Current Price (\$)	3.34	5.00	8.96	20.00	14.94
Trailing EPS (\$)	0.11	0.18	0.73	0.62	0.75
P/E (times)	31.09	27.16	12.35	32.22	20.05
Projected P/E	25.79	24.74	11.67	28.21	19.52
Projected EPS (\$)*	0.13	0.20	0.77	0.71	0.77
Book Value per share (\$)	0.54	1.45	0.28	1.54	2.77
Price/Book Value (times)	6.20	3.46	32.40	13.03	5.39
Dividend Yield (2018 %)	N/A	N/A	7.63%	4.28%	1.13%
Volumes	36,600	31,741	207,740	35,291	71,331
Recommendation	SELL	SELL	BUY	SELL	HOLD



STOCK OF THE DAY: Jamaica Stock Exchange Limited (JSE)

For the first three months ended March 31, 2019:

JSE recorded total revenue of \$445.12 million, a 27% increase when compared to the \$349.58 million booked the prior year. Cess income rose by 10% to \$139.03 million relative to \$126.06 million the previous year. Fee income grew by 32% to \$247.71 million to close the quarter, compared to \$187.55 million in 2018. E-campus showed an increase of 549% to \$21.04 million, relative to \$3.24 million in 2018. The company noted, “the exceptional performance of the eCampus was primarily due to the hosting of major workshops and seminar within the quarter”. Other operating income rose 14% during the period to total \$37.33 million compared to \$32.73 million in 2017.

Total expenses for the year increased by 26% moving from \$206.76 million in 2018 to \$261.07 million in 2019. Staff cost increased 25% to total \$107.22 million for the period (2018: \$86.06 million) and was primarily due to, “salaries associated with new staff hires required to support new business lines and expansion of current business.” Depreciation and amortization totaled \$13.23 million for the year relative to \$12.50 million in 2018.

Professional fees amounted to \$16.36 million (2018: \$17.25 million) a 5% decline year over year. Property expenses climbed 23% million to \$39.12 million (2018: \$31.89 million) for the period and is attributed to “increase in maintenance costs and license expense”. Other operating expenses grew by 8% to \$14.28 million from \$13.27 million the previous year.

Advertising and promotion was up by 72% from \$21.61 million in 2018 to \$37.17 million. Management noted, “this was largely due to planned increase advertising, public relation and outreach activities being carried out by the Group. Mainly in respect to the 50th Anniversary promotions.”

Securities commission fees posted an 17% increase year over year to close at \$21.64 million (2018: \$18.57 million). Investment income declined from \$8.18 million in 2018 to \$1.11 million in 2019. Profit before tax totaled \$185.16 million compared to \$151.0 million the prior year’s corresponding period. Tax charges for the quarter totaled \$61.55 million (2018: \$49.69 million).

Consequently, JSE reported a net profit for the quarter of \$123.60 million compared to a profit of \$101.31 million in the prior year, a 22% hike. Total comprehensive income amounted to \$126.61 million relative to \$97.15 million in 2018.

Earnings per share for the quarter totaled \$0.18 compared to \$0.14 in 2018. The trailing EPS is \$0.62. The numbers of shares used in the calculations are 701,250,000.00 units. JSE stock price closed the trading period on May 13, 2019 at \$20.05.

⁺Prices are as at May 15, 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	137.500	103.445	134.9082	152.220	100.500	136.3808
CAN	103.620	79.016	101.3432	110.432	91.000	101.2899
GBP	177.000	139.201	170.1307	194.454	161.000	174.1470
EURO	156.250	118.001	146.4554	158.587	143.000	156.3073

*Rates as at May 14, 2019

MONEY MARKET

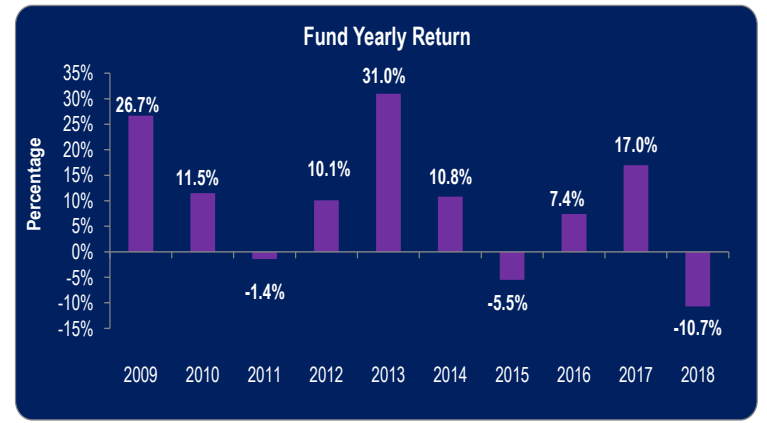
The Jamaican dollar fixed income market was liquid in today’s (May 15, 2019) trading session. The over night rate stood at 1.10% to 1.20% while the 30-day rate ranged at 2.20% to 2.40%.

The US dollar fixed income market was also liquid during today’s (May 15, 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 American Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States. The fund has a 3 year return of 10.7% and a 5 year return of 7.0% as at March 31, 2019. The Fund also has a 10 year return of 10.8%.



U.S.: What Low Inflation? Americans Are Paying Up on Tariff-Hit Goods

Low U.S. inflation is obscuring how Americans are already paying up for President Donald Trump's trade war with China, foreshadowing further pain as the administration boosts tariffs and readies additional levies. The higher costs are already flowing through the supply chain and on to the U.S. consumer, whose purchases make up nearly three quarters of the economy. The reality contradicts Trump's assertion that "there is no reason" for Americans to pay the tariffs, as he tweeted Monday. The price of items on store shelves in seven tariff-hit categories, including furniture, appliances and auto parts, jumped 1.6% through April since the first round of tariffs in July. But the overall index for all goods excluding food and energy has weakened, showing a lack of price pressure in other areas untouched by the trade war. "The costs of the tariffs have fallen entirely on U.S. businesses and households," Goldman Sachs Group Inc. economists wrote in a recent note, where they made similar calculations about the levies' impact on inflation. Inflation pressures are poised to build further after the administration increased levies on Chinese goods to 25% and prepared potential charges on about \$300 billion of remaining items.

<https://www.bloomberg.com/news/articles/2019-05-15/what-low-inflation-americans-are-paying-up-on-tariff-hit-goods?srnd=economics-vp>

UK: German Economy Rebounds From Stagnation With 0.4% Expansion

Germany's economy emerged from stagnation at the beginning of 2019, returning to growth despite a slump in manufacturing that could worsen because of escalating global trade tensions. The 0.4% expansion signals some strength across the euro area in the first quarter amid a better-than-expected performance in a number of countries. But industry is under pressure and the region is at risk of being sucked into an increasingly tense U.S.-China trade conflict. Global worries were heightened on Wednesday, with reports showing the Chinese economy continues to cool despite efforts by the government and the central bank. Figures pointed to slower growth in industrial output, retail sales and investment at the start of this quarter. Germany's first-quarter pickup matched the median forecast of economists. The statistics office said there was a boost from consumer spending, construction and equipment investment, while there were "mixed signals" on trade. In the euro area, growth was also 0.4% in the period, twice the pace of the previous three months.

<https://www.bloomberg.com/news/articles/2019-05-15/german-economy-rebounds-from-stagnation-with-0-4-expansion?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 13, 2019	
	Percentage (%)
Yield to Maturity	6.00
Weighted Average Coupon	5.526
Current Yield	5.16

The platinum portfolio has an effective maturity of 13.55 years and duration of 4.73 years.

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.

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

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