



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	CAR	VMIL	WISYNCO	SEP	BIL
Current Price (\$)	9.00	4.02	15.95	45.27	43.31
Trailing EPS (\$)	0.73	0.29	0.75	1.84	1.17
P/E (times)	12.40	13.81	21.40	24.54	36.93
Projected P/E	11.72	12.20	20.84	14.94	66.79
Projected EPS (\$)*	0.77	0.33	0.77	3.03	0.65
Book Value per share (\$)	0.28	2.24	2.77	21.66	4.31
Price/Book Value (times)	32.54	1.80	5.75	2.09	10.04
Dividend Yield (2018 %)	N/A	N/A	1.13%	3.17%	13.39%
Volumes	167,527	1,718,169	337,373	60,251	1,150
Recommendation	BUY	BUY	HOLD	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	143.117	101.618	132.7529	152.320	104.550	134.0228
CAN	101.700	77.326	99.9473	110.442	91.000	99.4327
GBP	175.210	132.915	168.5245	188.730	159.500	169.6687
EURO	153.846	111.485	144.9504	169.455	141.500	151.9532



*Rates as at May 28, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (May 29, 2019) trading session. The over night rate stood at 0.50% to 1.00% while the 30-day rate ranged at 1.60% to 2.00%.

The US dollar fixed income market was also liquid during today's (May 29, 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%.

STOCK OF THE DAY: Wisynco Group Limited (WISYNCO)

For the nine months ended March 31, 2019:-

Wisynco Group Limited reported total revenue of \$20.84 billion for the nine months ended March 31, 2019, a 15% increase when compared with the \$18.06 billion reported for the same period in 2018. Total revenues for the quarter amounted to \$6.91 billion (2017:\$5.82 billion). Management noted, "During the quarter the Company successfully introduced its first flavour of low sugar Spar-kling product under the Cran Wata brand."

Cost of sales for the period amounted to \$12.82 billion, up 13% relative to \$11.32 billion reported in 2018. Consequently, gross profit rose 19% to close at \$8.02 billion compared to the \$6.73 billion for the same period a year earlier. The Company noted, "Much of these improvements in gross profit are as a result of increased efficiencies starting to be realized from new capital investments made in the past year."

Total expenses for the nine months rose 16% to close at \$5.20 billion (2018: \$4.50 billion). Of total expenses, selling and distribution expenses climbed 12% to total \$4.40 billion (2018: \$3.92 billion), while administrative expenses increased 37% to \$799.94 million (2018: \$584.64 million). Total expenses for the third quarter rose 14% to \$1.72 billion (2018: \$1.51 billion).

Other income for the nine months increased 63% to \$85.39 million (2018: \$52.33 million). As such, WISYNCO booked a 27% increase in operating profit to \$2.90 billion (2018: \$2.28 billion).

Finance income for the period amounted to \$63.38 million, up 25% from the \$50.55 million reported for the corresponding period in 2018. Finance costs increased 70% to \$301.79 million for the period from \$177.12 million for 2018.

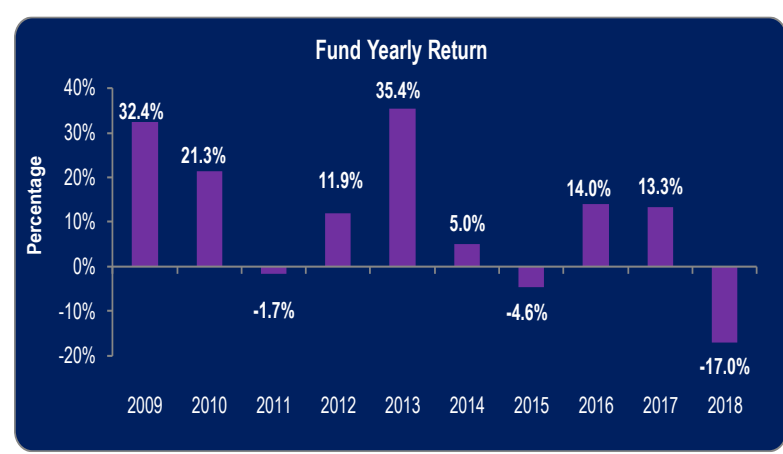
Profit before taxation amounted to \$2.66 billion, relative to \$2.16 billion reported in 2018, a 23% increase year over year. Taxation for the period amounted to \$422.98 million (2018: \$460.92 million). Profit from continuing operation amounted to \$2.24 billion relative to \$1.70 billion booked for the comparable period in 2018. The Company booked no profit from discontinued operations relative to \$41.55 million booked in 2018. As such, net profit of \$2.24 billion (2018: \$1.74 billion) was posted for the nine months ended March 31, 2019, representing a 29% increase year over year. Net profit for the third quarter amounted to \$693.92 million relative to \$504.28 million in 2018, a 38% increase year over year.

Earnings per share (EPS) for the quarter amounted to \$0.19 (2018: \$0.13), while the EPS for the nine months amounted to \$0.60 (2017: \$0.46). The twelve-month trailing EPS amounted to \$0.75. The number of shares used in our calculations is 3,750,000,000.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Small Companies Fund

This fund's objective is to seek above-average capital growth. It invests primarily in equity and equity-related securities of small to mid-capitalization North American companies. The fund has a 3 year return of 7.5% and a 5 year return of 5.2% as at April 30, 2019. The Fund also has a 10 year return of 11.7%.



*Prices are as at May 29, 2019 *Projections are made to the company's financial year end

U.S.: Three Fed Cuts on Bond-Market Radar as Curve Inversion Deepens

Treasuries are leading a bull run in global bonds, bringing into sight the prospect of benchmark 10-year yields dropping to 2% for the first time since late 2016 as traders ramp up bets on monetary-policy easing by the U.S. central bank. Escalating U.S.-China trade tensions and faltering global growth have seen U.S. 10-year yields tumble and the gap between 3-month and 10-year yields -- a commonly watched recession indicator -- move to levels last seen in 2007. Some market watchers, including strategists at Morgan Stanley, are now warning that the deepening inversion of the yield curve clearly presages an economic downturn. Fed funds futures show that the market is pricing in about three quarter-point central bank cuts by the end of next year, while the 10-year Treasury yield on Wednesday slumped below 2.22%. Yields on similar-dated securities in Australia and New Zealand both dropped to records, while those in Japan matched a three-year low of minus 0.1%. Equivalent German bund rates dipped to negative 0.18%, within a few basis points of their 2016 low. "The overarching theme of slower global growth, inflation not hitting the mark of central bank targets, and the uncertainty of a protracted trade war are all contributing to that rally," said Tano Pelosi, portfolio manager in Sydney at Antares Capital, which oversees the equivalent of \$22 billion. "I can see U.S. 10-year yields heading toward 2% if the pressure from the trade war continues."

<https://www.bloomberg.com/news/articles/2019-05-29/new-zealand-yields-fall-to-fresh-record-low-amid-risk-aversion?srnd=premium>

Europe: EU Says Italy Risks Penalties on Debt, Seeks Explanations

The European Commission confirmed it will take the first step in a disciplinary process that would put Italy at risk of financial penalties, and demanded the government explains its failure to rein in debt before the EU's executive makes its final decision next week. In a letter sent to the Italian Finance Minister Giovanni Tria on Wednesday, the commission's finance chiefs Valdis Dombrovskis and Pierre Moscovici said the country hasn't "made sufficient progress towards compliance with the debt criterion" of the EU's fiscal laws. The two officials asked Rome to cite any factors that explain this deterioration by May 31, according to the letter seen by Bloomberg. The commission is considering proposing a disciplinary procedure for Italy, which could pave the way for a 3.5 billion-euro (\$3.9 billion) penalty. The step may come as part of the EU's regular budget monitoring reports, most likely on June 5, and would mark an escalation of Rome's budget tussle with Brussels that roiled markets at the end of 2018. Italy's Tria "received as expected" the Commission's letter and "stands ready to reply," a spokesperson for the ministry said, declining to be identified in line with internal policy.

<https://www.bloomberg.com/news/articles/2019-05-29/eu-confirms-italy-risks-penalties-over-debt-seeks-explanations?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at May 27, 2019

	Percentage (%)
Yield to Maturity	5.98
Weighted Average Coupon	5.535
Current Yield	5.26

The platinum portfolio has an effective maturity of 13.50 years and duration of 4.64 years.

STRUCTURED PRODUCT

Mayberry Managed Equity Portfolio (MMEP)

We offer a managed equity portfolio for both institutions and individuals. The MMEP is a full discretionary managed portfolio of a diversified group of stocks. The stocks included in the portfolio represent Mayberry's top recommended stocks. Persons who find it difficult to manage their equity portfolios on a day to day basis should consider the MMEP. Further, the MMEP is for individuals and institutions who would like to pursue a medium to long term equity strategy.

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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.

OVER 20 YEARS OF EXPERIENCE + CUTTING EDGE MARKET RESEARCH
= POSITIVE TRANSFORMATION FOR OUR CLIENTS



...BULLISH ON JAMAICA



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