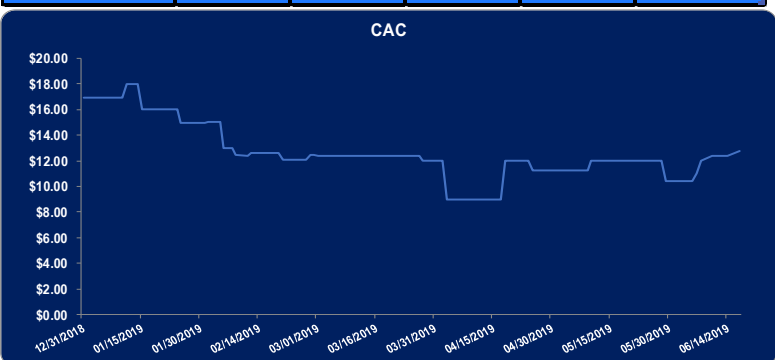


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	ISP	LASM	AMG	GENAC	CAC
Current Price (\$)	15.50	4.08	1.99	4.15	12.76
Trailing EPS (\$)	0.48	0.26	0.06	0.29	0.19
P/E (times)	32.25	15.50	31.82	14.40	68.09
Projected P/E	28.14	14.86	25.88	13.80	20.72
Projected EPS (\$)*	0.55	0.27	0.08	0.30	0.62
Book Value per share (\$)	3.20	1.43	0.93	1.99	3.80
Price/Book Value (times)	4.84	2.86	2.14	2.08	3.36
Dividend Yield (2018 %)	N/A	N/A	N/A	5.20%	N/A
Volumes	NIL	143,555	2,857	41,214	NIL
Recommendation	SELL	HOLD	SELL	BUY	HOLD



STOCK OF THE DAY: CAC 2000 (CAC)

CAC 2000 (CAC), for the six months ended April 30, 2019, reported revenues of \$516.48 million versus \$623.44 million booked in 2018. Revenues for the quarter fell by 9% to \$350.06 million (2018: \$383.93 million).

Cost of sales fell by 8% for the period to \$342.83 million (2018: \$374.27 million). Consequently, gross profit for the period declined by 30% closing at \$173.65 million compared to \$249.17 million for the same period last year. For the quarter, gross profit decreased 29% to \$119.09 million (2018: \$166.75 million).

The Company reported a 4% increase in total expenses to \$204.16 million (2018: \$195.50 million). This was as a result of a 8% increase in General Administration to \$193.64 million (2018: \$178.53 million), which was tempered by a downward movement in Selling & Distribution to \$10.52 million (2018: \$16.97 million). For the quarter, the Company reported a 15% decline in total expenses which closed the quarter at \$92.37 million (2018: \$109.25 million).

Other income of \$47.14 million was recorded for the period under review, up from \$4.42 million reported for the same period in the prior year. Consequently, profit before taxation and finance cost fell by 71% to \$16.64 million (2018: \$58.09 million).

Net finance costs went up to \$13.57 million (2018: \$4.43 million). Of this, interest expense for the six months amounted to \$11.35 million (2018: \$11.10 million). Interest income closed at \$134,283 (2018: \$468,005) whereas other gains and losses closed at \$2.35 million versus other gains of \$6.20 million reported in the same period last year.

Profit before taxation amounted to \$3.07 (2018: \$53.65 million). No taxes were recorded for the period (2018: nil) as such net profit for the six months fell by 94% to \$3.07 million (2018: \$53.65 million). Net profit for the quarter was reported at \$40.76 million compared to \$55.88 million booked in the corresponding quarter of 2018.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	131.000	100.223	128.2024	148.750	101.754	129.9990
CAN	96.500	75.276	92.9254	108.576	90.500	96.8353
GBP	164.250	127.730	158.2573	184.080	153.000	162.6125
EURO	144.500	108.662	140.1276	166.320	138.500	149.5819

*Rates as at June 18, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (June 19, 2019) trading session. The over night rate stood at 0.50% to 0.90% while the 30-day rate ranged at 1.50% to 1.80%.

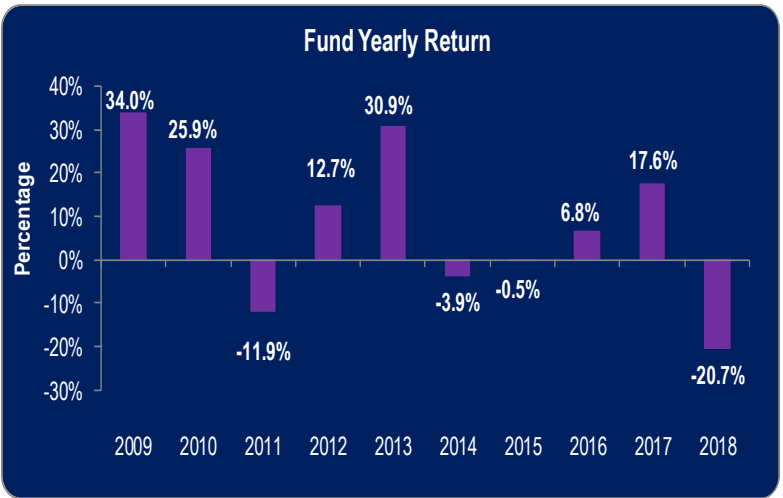
The US dollar fixed income market was also liquid during today's (June 19, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI Global Small Companies Corporate Class

This fund invests primarily in equity and equity-related securities of small to mid-capitalization companies around the world.

The fund has a 3 year return of 1.3% and a 5 year return of 0.1%. The Fund also has a 10 year return of 7.3%. Rates are as at May 31, 2019.



⁺Prices are as at June 19, 2019 *Projections are made to the company's financial year end

U.S.: Fed Signals Law Is on Its Side If Trump Tries to Remove Powell

“The world’s most powerful central bank is making clear it thinks the law is on its side if President Donald Trump tries to remove Jerome Powell as Federal Reserve chairman. White House lawyers have equipped Trump with a possible blueprint for demoting Powell by stripping him of his chairmanship and leaving him as only a governor, according to people familiar with the matter. But the Fed, which faces frequent attacks from Trump for not being more accommodating to his economic agenda, has hinted for the second time that it won’t back down easily. In response to inquiries Tuesday about the White House review of the legality of removing Powell, Fed spokeswoman Michelle Smith offered a direct response, saying the chair can “only be removed for cause.” For his part, Powell has previously demonstrated his resolve: “The law is clear that I have a four-year term. And I fully intend to serve it,” he told the CBS News program “60 Minutes” in March. The latest episode in Trump’s battle with the central bank was revealed as the Fed entered a two-day policy meeting, after which Powell will hold a news conference. Trump, meanwhile, officially launched his re-election bid on Tuesday, a campaign in which he’ll ask voters to keep him in the White House largely on the strength of the U.S. economy.”

<https://www.bloomberg.com/news/articles/2019-06-19/fed-signals-law-is-on-its-side-if-trump-tries-to-remove-powell?srnd=premium>

Europe: Draghi Stimulus Comes With More Punch as ECB Claims Room to Act

Mario Draghi is set on pushing the limits of the European Central Bank’s firepower right up until he leaves office. With little more than four months to go in his job, the ECB president has all but pledged new stimulus for Europe’s flagging economy that may include both interest-rate cuts and asset purchases. Adding potency to that statement is his declaration that the institution shouldn’t be hemmed in by its rules restricting the room for maneuver. In response, European bonds enjoyed one of their biggest rallies in recent memory as yields tumbled to record lows across the region. German 10-year rates are now hovering just above the ECB’s minus 0.4% deposit rate, while those on French securities dropped below zero for the first time. Traders in money markets are pricing a rate cut by September. Tuesday’s threat of stimulus succeeded where the ECB failed earlier this month in placating investors. It prompted inflation expectations to rise and the euro to fall. According to the institution’s former chief economist, that’s because the extent of Draghi’s pledge opens the door to far more powerful policy action than officials had previously signaled was even possible. “What is very important is the optionality -- to make the options more credible,” Peter Praet, who left the ECB at the start of this month, told Bloomberg Television. “I am not sure that markets say you need to act now, but the markets want to be reassured that if the environment doesn’t improve, do you have the necessary tools to do that.”

<https://www.bloomberg.com/news/articles/2019-06-18/draghi-stimulus-comes-with-more-punch-as-ecb-claims-room-to-act?srnd=economics-vp>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at June 17, 2019	
	Percentage (%)
Yield to Maturity	5.76
Weighted Average Coupon	5.514
Current Yield	5.22

The platinum portfolio has an effective maturity of 18.18 years and duration of 4.60 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.

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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
 MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS • GLOBAL INVESTING SOLUTIONS • RETIREMENT PLANNING SOLUTIONS



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