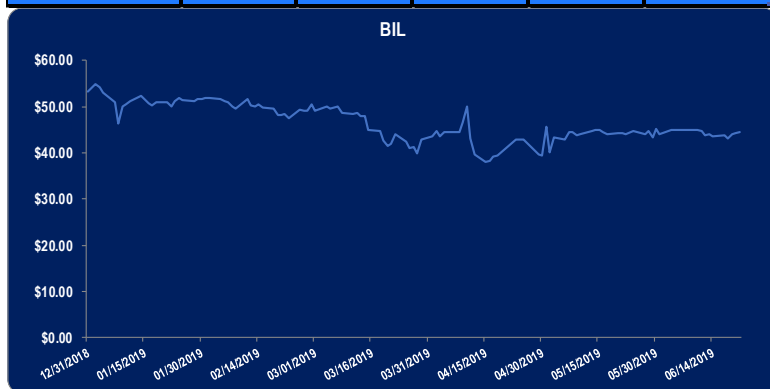


## DAILY RECOMMENDATION



LOCAL STOCK MARKET: (JS) <sup>+</sup>					
Stock Symbol	CFF	CAR	VMIL	BRG	BIL
Current Price (\$)	14.30	8.19	4.28	18.00	41.62
Trailing EPS (\$)	0.78	0.70	0.29	0.79	1.17
P/E (times)	18.39	11.67	14.70	22.72	35.49
Projected P/E	16.71	12.13	12.99	31.57	64.18
Projected EPS (\$)*	0.86	0.68	0.33	0.57	0.65
Book Value per share (\$)	4.88	0.28	2.24	5.34	4.31
Price/Book Value (times)	2.93	29.77	1.91	3.37	9.65
Dividend Yield (2018 %)	N/A	N/A	4.32%	2.87%	N/A
Volumes	NIL	232,552	794,000	3,962	12,605
Recommendation	HOLD	BUY	BUY	SELL	SELL



## STOCK OF THE DAY: Barita Investments Limited (BIL)

## For the three months ended March 31, 2019:

Interest income improved 16% during the six-month period, amounting to \$595.92 million relative to \$511.74 million for the comparable period in 2018. Interest expense also increased to close at \$339.50 million compared to \$322.43 million in 2018. As a result, net interest income increased by 35% to \$256.42 million relative to \$189.31 million in 2018. Management noted the movement was, "underpinned by significant balance sheet growth".

Dividend income rose 287% to total \$19.82 million compared to the \$5.12 million earned for the first six months ended March 31, 2018. Gains on sale of investment increased significantly by 652%, to \$609.87 million (2018: \$81.09 million), while fees & commissions income rose by 73%, to close at \$414 million (2018: \$239.88 million). The investment banking business, launched in December 2018, generated fee income of \$159.4 million for the four months to March 2019."

Foreign exchange trading and translation amounted to a loss of \$138.12 million compared to a loss of \$25.91 million recorded in the previous year. The foreign exchange trading (cambio) benefited from market conditions, reporting a gain of \$58.5 million compared to \$21.0 million for the prior period. Other income for the six-month period closed at \$1.71 million (2018: \$616,000), a growth of 177% year over year."

BIL reported a 137% improvement in net operating revenue from \$490.10 million in 2018 to \$1.16 billion for the six months ended March 31, 2019. Net operating revenue for the quarter amounted to \$769.95 million compared \$329.02 million for the same quarter of 2018.

Administrative Expenses for the period recorded an 8% increase to \$215.18 million relative to \$199.92 million in 2018. Staff costs year to date rose 33% from \$170.57 million book in 2018 to \$226.10 million. Total expenses for the period recorded a 25% growth to close at \$463.61 million versus \$370.49 million in 2018. Total expenses for the quarter amounted to \$261.30 million, 28% above the \$204.10 million reported for the corresponding quarter of 2018. Profit before tax amounted to \$700.07 million relative to a profit before taxation of \$119.61 million in 2018.

Following taxation of \$183.37 million (2018: \$70.24 million), the company reported net profit of \$516.71 million, relative to the profit of \$49.37 million booked in 2018. Net profit for the quarter amounted to \$408.28 million compared to \$88.14 million for the prior year's similar quarter.

Earnings per Share (EPS) for the period ended March 31, 2019 totalled \$0.73 relative to an EPS of \$0.07 in 2018. EPS for the quarter amounted to \$0.58 in contrast to \$0.12 for the same quarter of 2018. The trailing earnings per share amounted to \$1.17. The number of shares used in our calculations amounted to 445,876,824 units.

<sup>+</sup>Prices are as at June 24, 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	132.500	100.625	129.0532	149.345	100.223	130.6735
CAN	98.450	77.244	94.9059	110.214	90.300	101.1955
GBP	168.600	130.199	159.5985	187.030	155.000	166.1305
EURO	144.000	110.387	138.4514	169.560	123.148	150.7192

\*Rates as at June 21, 2019

## MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (June 24, 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%.

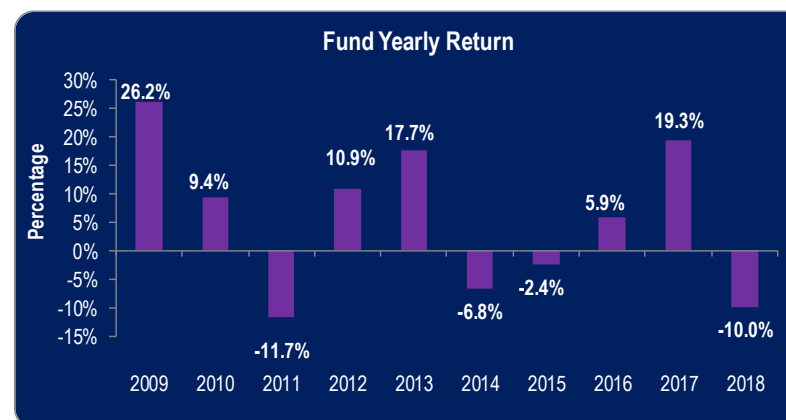
The US dollar fixed income market was also liquid during today's (June 24, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

## OVER THE COUNTER FUNDS (CI FUNDS)

## CI International Value Corporate Class

This fund invests primarily in equity and equity-related securities of companies whose primary operations are outside of North America.

The fund has a 3 year return of 5.4% and a 5 year return of 1.4%. The Fund also has a 10 year return of 4.8%. Rates are as at May 31, 2019.



“President Donald Trump is threatening Iran with additional sanctions on Monday, but there’s not much left for the U.S. to target because most of the Islamic Republic’s economy has been crippled by earlier penalties. The U.S. is already sanctioning significant sectors including oil, banks and steel, leaving smaller targets including certain exports and government officials. Trump could also hit Iran’s central bank with secondary sanctions, at the risk of hurting humanitarian trade. “The Trump administration has already hit most of Iran’s cash-earning exports and pushed the country into a deep recession this year,” said Peter Harrell, a fellow at the centre for New American Security, a Washington-based research group. “A lot of exports to Iran have dried up because of risk aversion and all the banking sanctions.”

[https://www.bloomberg.com/news/articles/2019-06-24/trump-warns-of-more-iran-sanctions-yet-few-targets-left-for-u-s?](https://www.bloomberg.com/news/articles/2019-06-24/trump-warns-of-more-iran-sanctions-yet-few-targets-left-for-u-s?srnd=premium-europe)

## PLATINUM PORTFOLIO

### Platinum Portfolio Yield Measures as at June 24, 2019

	Percentage (%)
Yield to Maturity	5.66
Weighted Average Coupon	5.514
Current Yield	5.08

The platinum portfolio has an effective maturity of 13.31 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.

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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.

“German banks may face about 610 million euros (\$695 million) of costs after helping investors take improper advantage of a loophole to reduce taxes on dividends, according to the country’s regulator. About 60 lenders were directly involved in so-called cum-cum trades that allowed foreign investors to profit from tax breaks meant for Germany-based shareholders, a BaFin spokesman said, citing a survey by the regulator. While some banks could face “high” repayment claims from tax authorities, it’s probably not enough to threaten their survival, the BaFin spokesman said. Any decision to demand payments from banks will be made by tax authorities, he said.”

<https://www.bloomberg.com/news/articles/2019-06-24/german-banks-may-face-695-million-hit-on-dividend-tax-loophole?srnd=premium-europe>

## STRUCTURED PRODUCT

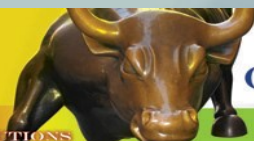
### Mayberry Gold

This portfolio is ideal for investors, both retail and corporate, seeking a conservative, short-term investment. The securities in the Gold are directly owned by the client and provide them with a safe investment option. Our Gold portfolio can also provide investors with coupon payments that can generate a positive income stream.

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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