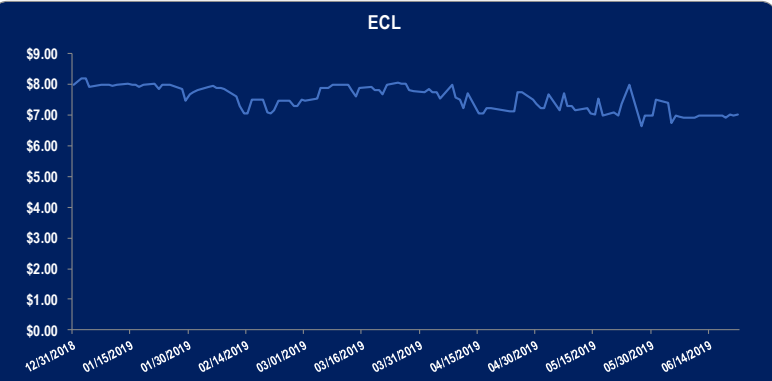




LOCAL STOCK MARKET: (JS)⁺

Stock Symbol	ECL	DCOVE	EPLY	TTECH	SJ
Current Price (\$)	6.88	11.75	20.00	5.46	52.22
Trailing EPS (\$)	0.27	0.69	0.55	0.20	3.66
P/E (times)	25.19	17.08	36.29	26.83	14.27
Projected P/E	23.60	15.61	77.25	72.70	13.75
Projected EPS (\$)*	0.29	0.75	0.26	0.08	3.80
Book Value per share (\$)	0.16	9.57	3.71	1.89	20.35
Price/Book Value (times)	43.11	1.23	5.40	2.89	2.57
Dividend Yield (2018 %)	N/A	N/A	2.30%	N/A	N/A
Volumes	37,840	5,100	950	NIL	128,496
Recommendation	BUY	HOLD	SELL	SELL	HOLD



STOCK OF THE DAY: Express Catering Limited (ECL)

For the nine months ended February 28, 2019:

Express Catering Limited (ECL) for the nine months ended February 28, 2019 reported a 7% increase in revenue to US\$12.11 million (2018: US\$11.27 million). Revenue for the quarter advanced 12% to close at US\$4.93 million relative to US\$4.39 million reported the previous year. Notably, the company stated, "The upgrading works being undertaken at the Sangster Int'l Airport continues to put stress on the operations. We anticipate that this will benefit Express Catering tremendously."

Cost of sales (COS) increased by 8.8% for the period to US\$3.25 million (2018: US\$2.99 million). As a result, gross profit increased year-on-year for the nine-month period by 7%, from US\$8.28 million in 2018 to US\$8.86 million in 2019. Gross profit for the third quarter improved from US\$3.25 million in 2018 to US\$3.61 million, a 11% increase year over year.

Total expenses increased by 10% for the period in review to US\$6.04 million for 2019, up from US\$5.48 million booked for the nine months ended February 2018. The increase was associated with a 11% growth in administrative expenses to US\$5.59 million from US\$5.05 million. Depreciation and Amortization saw a 4% increase to US\$415,946 compared to US\$400,475 for the comparable period in 2018. Promotional expenses saw a 19% increase from US\$30,380 to US\$36,108. Total expenses for the quarter increased 20% to close at US\$2.40 million (2018: \$2.00 million).

Consequently, operating profit for the period inched up by 1% to US\$2.81 million (2018: US\$2.80 million). However, operating profit for the quarter totalled US\$1.21 million, which dipped by 3% relative to US\$1.25 million booked for the corresponding quarter of 2018.

Finance cost of US\$259,075 (2018: US\$287,178) was incurred for the period, while foreign exchange losses amounted to US\$8,463 (2018: FX gains: US\$10,986). Consequently, profit for the period amounted to US\$2.55 million, a 1% increase above the US\$2.52 million recorded for the corresponding period in the prior year. For the quarter, profits amounted to US\$1.13 million versus US\$1.14 million booked for the comparable period in 2018, a 1% decrease.

Earnings per share (EPS) for the nine months totalled US\$0.16 cents (2018: US\$0.15 cents). Earnings per share for the quarter amounted to US\$0.069 cents (2018: US\$0.069 cents). The trailing EPS amounted to US\$0.21 cents. The number of shares used in the calculation was 1,637,500,000 units.

⁺Prices are as at June 25, 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	132.800	101.028	128.7737	149.345	100.625	130.4325
CAN	100.000	77.244	99.0912	110.214	90.000	100.1999
GBP	167.000	129.623	162.3481	187.266	154.200	165.5964
EURO	151.515	110.779	142.4846	170.160	139.000	149.3714

*Rates as at June 24, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (June 25, 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%.

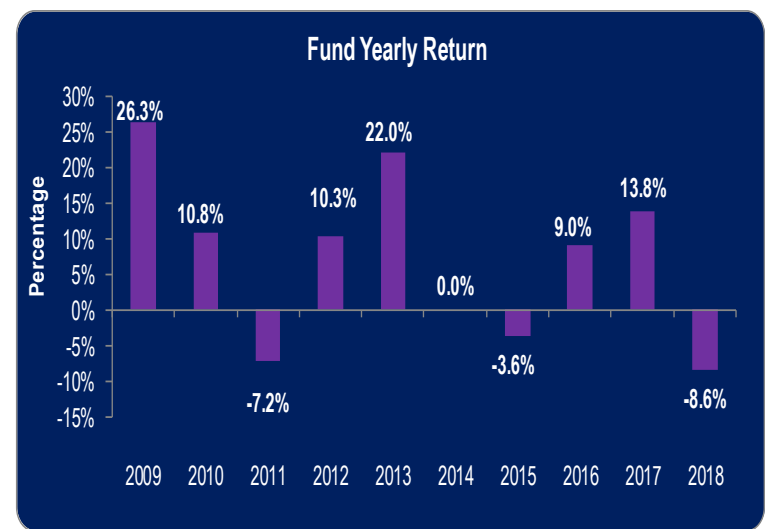
The US dollar fixed income market was also liquid during today's (June 25, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

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 4.9% and a 5 year return of 2.5%. The Fund also has a 10 year return of 6.6%. Rates are as at May 31, 2019.



U.S.: Pain From Trump's China Tariffs Spreads, Reshaping Global Trade

“President Donald Trump often cites China’s massive exports to the U.S. as a grave injustice hanging over the world economy. But lately it pays to look at Chinese imports for the pain that his tariff wars are inflicting on global growth. The world’s biggest trading nation last month saw imports from Japan, South Korea and the U.S. fall sharply from a year earlier, according to official data. The 27% fall from the U.S. is perhaps not surprising given a year of tit-for-tat tariffs, but a drop of 16% from Japan and 18% from South Korea is reason to consider the broader effects of Trump’s trade battles. Such data illustrate why trade is at the top of the agenda for this week’s Group of 20 meeting of leaders who preside over more than three-quarters of the global economy.”

<https://www.bloomberg.com/news/articles/2019-06-25/pain-from-trump-s-china-tariffs-spreads-reshaping-global-trade?srnd=premium>

Europe: Europe Earnings Recession Risk Is Back as Stock Rally Stumbles

“Last week’s stock optimism may be short-lived as investors head into an earnings season that looks set to deliver more bad news than good. The pace of profit downgrades is exceeding upgrades by the most since January, according to Citigroup Inc.’s earnings revisions index for continental Europe, posing a threat to this month’s equity rally spurred by dovish central bank comments. Sanford C. Bernstein strategists said on Monday that although global earnings recession isn’t their base-case scenario, there’s a “real” possibility of one in Europe amid trade-war and policy uncertainty. Although the euro-area economy showed signs of stabilization in June amid improving manufacturing data in Germany and France, there’s growing concern that the rest of the region is sliding closer to stagnation. “The damage from the trade war is likely to be seen most clearly in Europe. Europe is highly dependent on global trade and capex – the two components of global growth that are faltering,” said Karen Ward, chief market strategist for EMEA at JPMorgan Asset Management. While carmakers rallied after U.S. President Donald Trump last month delayed tariffs on imported cars from the European Union by 180 days, the unresolved issue continues to weigh on sentiment due to the industry’s importance for German and French economies.”

<https://www.bloomberg.com/news/articles/2019-06-25/europe-earnings-recession-risk-is-back-as-stock-rally-stumbles>

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.

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

DISCLAIMER

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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

...BULLISH ON JAMAICA



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