

LOCAL STOCK MARKET: (J\$)⁺

Stock Symbol	ECL	WISYNCO	MEEG	MDS	KEX
Current Price (\$)	6.70	18.86	6.52	6.70	12.45
Trailing EPS (\$)	0.27	0.75	0.36	0.43	0.41
P/E (times)	24.53	25.31	18.27	15.64	30.04
Projected P/E	22.98	24.64	14.86	14.83	28.95
Projected EPS (\$)*	0.29	0.77	0.44	0.45	0.43
Book Value per share (\$)	0.16	2.77	2.05	2.89	1.50
Price/Book Value (times)	41.98	6.80	3.17	2.32	8.31
Dividend Yield (2018 %)	13.14%	1.13%	N/A	2.10%	0.47%
Volumes	12,229	90,974	34,859	30,500	NIL
Recommendation	BUY	HOLD	BUY	HOLD	SELL



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 reflecting an increase of 19% over the \$5.82 billion achieved in the corresponding quarter of the previous year.

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.

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. The Company noted, "Finance expenses included a loss of \$69.3 million due to the revaluation of our USD deposits as the Jamaican Dollar revalued from a rate of 125.89 at December 31, 2018 to 123.57 at March 31, 2019."

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.

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	134.000	101.833	130.2953	151.130	101.833	132.0868
CAN	102.300	78.474	101.5191	112.320	90.000	101.5944
GBP	169.410	130.692	159.9464	187.620	155.000	165.8508
EURO	146.000	111.563	140.4819	170.760	137.000	151.3859

*Rates as at July 2, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 3, 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%.

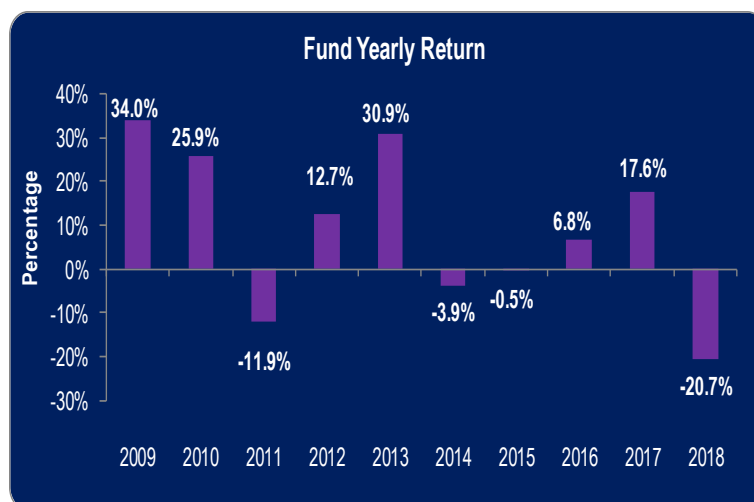
The US dollar fixed income market was also liquid during today's (July 3, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

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.



U.S.: U.S. Trade Gap Widens by More Than Forecast to Highest in 2019

"The U.S. trade deficit widened by more than forecast to a five-month high as imports surged the most since 2015, illustrating how President Donald Trump's trade policies are weighing on the economy. The gap increased 8.4% in May to \$55.5 billion and April's level was bigger than previously reported, Commerce Department data showed Wednesday. The median estimate of economists surveyed by Bloomberg called for a deficit of \$54 billion. Imports jumped 3.3% and exports rose 2%, the most in a year, while the goods- trade gap with China widened to \$30.1 billion. The report suggests net exports were on track to drag down the pace of expansion in the second quarter after giving a big boost in the prior period, though the monthly figures have been volatile thanks to tariffs. Chinese imports and exports both surged, potentially reflecting companies rushing shipments ahead of Trump's latest increase in levies announced in May. The wider trade gap shows how policies including the tariff war between the U.S. and China continue to buffet U.S. business activity and growth, despite Trump's intent to shrink the deficit. A strong dollar and weaker expansion abroad are also weighing on exports, which were down from a year earlier, while consumer demand and front-loading of orders to avoid tariff deadlines have boosted imports. Economists in a recent survey expected second-quarter growth to slow to a 1.8% annual pace from 3.1% in the first three months of the year, based on the median estimate. A separate government report on Wednesday showed filings for U.S. unemployment benefits fell for the second time in three weeks, a sigh the labor market is holding up before June jobs data are released later this week."

<https://www.bloomberg.com/news/articles/2019-07-03/u-s-trade-gap-widens-by-more-than-forecast-to-highest-in-2019?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 1, 2019

	Percentage (%)
Yield to Maturity	5.63
Weighted Average Coupon	5.514
Current Yield	5.10

The platinum portfolio has an effective maturity of 13.24 years and duration of 4.73 years.

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.

Europe: U.K. on Path for Second-Quarter Contraction After Dismal June

"The U.K. economy probably shrank for the first time since 2012 in the second quarter as Brexit uncertainty and fears for the global outlook took their toll on output in June, according to IHS Markit. The report comes a day after Bank of England Governor Mark Carney warned of damage to the global economy from rising protectionism, adding that the U.K. faces the additional threat of a no-deal Brexit on business investment. Concerns over a chaotic departure from the European Union, along with bets that central banks around the world will need to ramp up stimulus, have left investors fully pricing in a BOE interest-rate cut by August 2020. The Purchasing Managers Index on Wednesday showed U.K.'s dominant services sector all but stagnated last month, following surveys earlier this week showing outright contraction in the manufacturing and construction industries. That left a composite gauge covering the three sectors below 50 for the first time since the aftermath of the Brexit referendum in 2016, with the evidence suggesting the economy shrank 0.1% in the second quarter, Markit said. "The worsening picture will put further pressure on the Bank of England to add stimulus," said Chris Williamson, chief business economist at IHS Markit. "For policy makers not loosen policy with the all-sector PMI at its current level would be unprecedented in the survey's two-decade history." Markit's index for the services industry fell to 50.2 in June, down from 51 the previous month and defying economist expectations for no change. The pound fell for a third day after the report, and was 0.1% lower at \$1.2576 as of 9:47 a.m. London time."

<https://www.bloomberg.com/news/articles/2019-07-03/u-k-services-stagnate-pointing-to-an-economy-in-contraction?srnd=economics-vp>

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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= POSITIVE TRANSFORMATION FOR OUR CLIENTS

MANAGED FUND SOLUTIONS • CURRENCY SOLUTIONS •
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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