



LOCAL STOCK MARKET: (JS) ⁺

Stock Symbol	JMMBGL	CAR	BPOW	KREMI	ISP
Current Price (\$)	52.49	7.83	5.03	5.44	13.85
Trailing EPS (\$)	2.34	0.70	0.25	0.23	0.48
P/E (times)	22.40	11.16	20.41	23.22	28.82
Projected P/E	22.00	11.60	19.74	22.45	25.15
Projected EPS (\$)*	2.39	0.68	0.25	0.24	0.55
Book Value per share (\$)	18.44	0.28	1.59	1.87	3.20
Price/Book Value (times)	2.85	28.46	3.17	2.91	4.32
Dividend Yield (2018 %)	2.14%	7.63%	0.45%	1.00%	N/A
Volumes	76,921	343,473	81,109	9,850	NIL
Recommendation	SELL	BUY	HOLD	HOLD	SELL

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	136.900	103.200	135.1184	140.610	102.799	136.3349
CAN	105.140	79.950	102.6113	106.450	95.000	103.7788
GBP	170.000	125.000	162.1397	173.880	157.500	170.6007
EURO	148.300	100.000	141.5876	155.736	140.000	153.0767

*Rates as at July 11, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 12, 2019) trading session. The over night rate stood at 0.50% to 0.90% while the 30-day rate ranged at 1.60% to 1.90%.

The US dollar fixed income market was also liquid during today's (July 12, 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: Blue Power Group Limited (BPOW)

For the year ended April 30, 2019:-

Blue Power Group Limited (BPOW) for the year ended April 30, 2019 recorded an increase in revenues by 10% to \$1.67 billion relative to \$1.51 billion recorded in 2018. For the quarter, revenue increased 10% from \$358.01 million in 2018 to \$394.84 million. The company indicated, "Overall sales for the twelve months are up by 10% from \$1,508 million to \$1,666 million with the Lumber Depot Division showing an increase of 12% while the Blue Power Division improved by 6%."

The Company also noted, "Results for the 4th quarter in terms of sales for both divisions were positive with an overall increase of 13.9% where the Lumber Depot Division showed an increase of 26.29% while the Blue Power Division declined by 15.08%." Management also noted, "Export sales for the full year were ahead of last year by 29% although there was a decline in the fourth quarter."

Cost of Sales for the period increased by 9% to \$1.29 billion (2018: \$1.84 billion). As such, gross profit increased by 17% to \$377.24 million (2018: \$323.13 million). For the fourth quarter, cost of sales climbed by 9% to \$313.22 million (2018: \$286.69 million); consequently gross profit for the quarter increased 14% to \$81.63 million (2018: \$71.41 million)

Administrative Expenses amounted to \$243.33 million, a 15% increase relative to \$210.72 million last year. Consequently, Operating Profit totalled \$133.91 million, 19% more than the \$112.42 million for the prior year's period.

Finance Income amounted to \$29.33 million (2018: \$14.86 million), while Finance Cost totalled \$6.19 million (2018: \$14.80 million) for the year end. As such, Profit before taxation increased by 37% to \$158.99 million relative to \$115.93 million for the corresponding period last year.

The company reported a 44% increase in taxes in the year to \$19.72 million compared to the \$13.69 million paid in the prior year. As a result, Net Profit increased by 36% to \$139.27 million (2018: \$102.24 million). Net profit for the quarter totalled \$19.31 million relative to \$22.97 million the prior year's quarter.

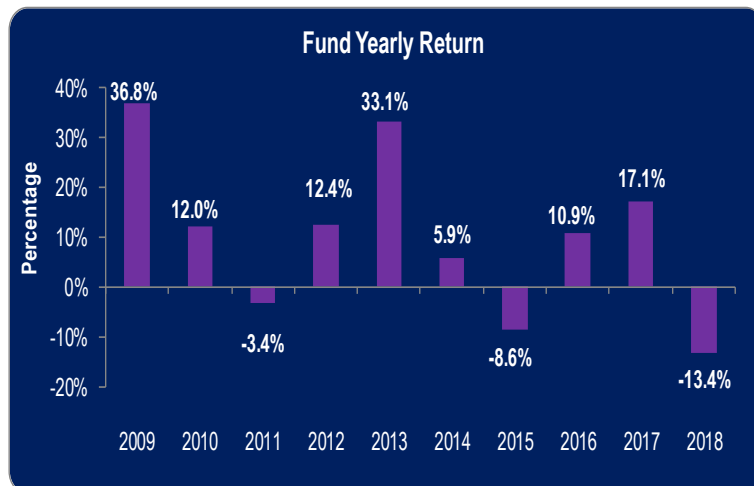
Earnings-per-share for the period amounted to \$0.25 (2018:\$0.18), while earnings-per-share for the quarter amounted to \$0.03 (2018:\$0.04). The amount of shares used in our calculation is 564,990,000.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Managers Corporate Class

This fund invests primarily in equity and equity-related securities of companies that are located in countries that have signed the North American Free Trade Agreement (NAFTA) (or its successor).

The fund has a 3 year return of 8.9% and a 5 year return of 4.1%. The Fund also has a 10 year return of 10.3%. Rates are as at June 30, 2019.



U.S.: U.S. Producer Prices Increased More Than Forecast in June

"A measure of underlying U.S. producer prices increased in June by more than forecast, driven by trade services and indicating inflation may be starting to stabilize. Excluding food and energy, producer prices increased 2.3% in June from a year earlier, matching the prior month's annual advance and more than the median forecast of 2.1%, a Labor Department report showed Friday. The overall producer-price index rose 0.1% for a second month, also exceeding expectations for no change. The data follow a report Thursday showing consumer prices also picked up, which may complicate Fed policy makers' decision on interest-rate policy later this month. The stronger figures indicate companies are seeing at least some inflation that could filter through to the broader economy. Final demand services rose in June by the most since October 2018. Trade indexes measure changes in margins received by wholesalers and retailers. Retail margins for fuels surged by the most since November, while margins also picked up at wholesalers of machinery and at retailers of health and beauty products and apparel and footwear. Core consumer inflation topped expectations in separate data released Thursday, showing that the index which excludes food and energy rose the most since January 2018. There were gains across categories, from shelter to clothing and used vehicles. President Donald Trump has repeatedly called on central bank officials to cut interest rates to spur economic growth, citing muted inflation as one reason to cut. Bond traders widely expect officials to do so at their next meeting, while Fed leaders emphasize political independence."

<https://www.bloomberg.com/news/articles/2019-07-12/u-s-producer-prices-increased-more-than-forecast-in-june?srnd=premium>

Europe: European Industry Shows Signs of Life as Output Beats Estimates

"Europe's economy got a shot in the arm on Friday with a report showing the biggest jump in industrial production in four months. Output jumped 0.9% from the previous month, beating the 0.2% median estimate of economists. Capital goods and consumer goods both saw strong gains. The figures follow positive national reports from the region's largest economies -- Germany, France, Italy and Spain. All four posted increases in May, the first time that's happened since last summer. The data, which can be volatile, may not be enough to shift the European Central Bank from its current path toward adding more monetary stimulus. The outlook is still clouded by trade tensions that have hit confidence, and forward-looking surveys, as well as comments from company executives, still offer reason for caution. BASF SE, the world's largest chemical maker, shocked markets this week with a huge profit warning, and Germany's car industry is still suffering from industry-related problems. On Friday, Daimler AG issued its fourth such warning in just over a year, this time blaming higher costs to deal with a recall for faulty airbags and increasing funds set aside to address allegations of emissions tampering. The European Commission on Wednesday cut its euro-area growth and inflation forecast for 2020, suggesting that the weakness that's characterized the first half of the year will stick around. Most investors and economists have penciled in an ECB interest-rate cut by September, though some say the central bank could act as soon as this month. There's also a chance it restarts bond purchases, having only brought the program to a close at the end of 2018."

<https://www.bloomberg.com/news/articles/2019-07-12/european-industry-shows-signs-of-life-as-output-beats-estimates?srnd=economics-vp>

PLATINUM PORTFOLIO

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 port-folio 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.

Platinum Portfolio Yield Measures as at July 8, 2019

	Percentage (%)
Yield to Maturity	5.63
Weighted Average Coupon	5.514
Current Yield	5.1

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.

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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ON JAMAICA



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