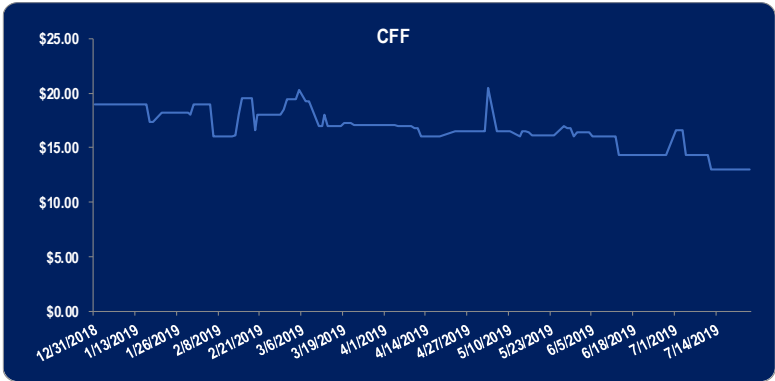


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	BRG	VMIL	PTL	CFF	PJAM
Current Price (\$)	18.77	4.70	1.80	13.00	98.52
Trailing EPS (\$)	0.79	0.29	0.02	0.78	5.06
P/E (times)	23.70	16.14	73.67	16.72	19.46
Projected P/E	32.92	14.26	55.82	15.19	18.01
Projected EPS (\$)*	0.57	0.33	0.03	0.86	5.47
Book Value per share (\$)	5.34	2.24	0.47	4.88	32.98
Price/Book Value (times)	3.52	2.10	3.83	2.66	2.99
Dividend Yield (2018 %)	2.87%	4.32%	1.30%	2.27%	2.33%
Volumes	3,226	560,139	186,147	NIL	4,357
Recommendation	SELL	BUY	SELL	BUY	HOLD



STOCK OF THE DAY: Caribbean Flavours and Fragrances (CFF)

For the three months ended March 31, 2019:-

Caribbean Flavours and Fragrances (CFF) revenues increased by 27% to \$112.58 million relative to \$88.72 million for the comparable period in 2018. CFF stated that, “the Company’s positive growth was driven by a combination of strategies implemented both in the local and overseas market. CFF expects this trend to continue based on the pipeline of solutions that we are presently working on with these customers and in anticipation that they will be accepted and move from R&D into production.”

Cost of sales amounted to \$75.29 million relative to \$54.03 million in the prior corresponding period. Consequently, gross profit went up 8% to close at \$37.29 million for the period under review, compared to the prior year’s figure of \$34.69 million. Management noted that, “this continues to be heading in the right direction despite lower than anticipated sales of some new products during the quarter. We will continue with the refinement of our strategies and the improvement to our various cost structures in order to drive the desired efficiency whilst improving our cost of sales and gross profit.”

The Company recorded a year over year increase in total expenses to \$26.14 million, up from \$21.18 million in 2018. There was a 68% decline in selling and distribution costs to total \$297,000 (2018: \$935,000). Whereas, administrative expenses for the period went up 28% to \$25.84 million versus \$20.25 million in the prior year’s corresponding period.

Consequently, profit from operations for the period closed at \$11.15 million versus \$13.51 million booked twelve months earlier.

Pretax profit closed at \$14.45 million (2018: \$15.42 million). As a result, after incurring taxes 2.51 million (2018: nil), net profit for the period amounted to \$11.93 million compared to \$15.42 million documented in the same period last year.

The earnings per share for the period amounted to \$0.13 (2018: \$0.17). The twelve months trailing EPS is \$0.78. The number of shares used in this calculation was 89,920,033 units.

*Prices are as at July 24, 2019 *Projections are made to the company’s financial year end

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	138.700	104.145	135.4897	141.480	104.480	137.8681
CAN	105.450	81.836	104.8994	108.446	95.000	105.4708
GBP	171.000	134.807	165.1986	177.282	159.620	169.3399
EURO	152.000	115.013	145.9706	156.830	145.600	152.8248

*Rates as at July 23, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today’s (July 24, 2019) trading session. The over night rate stood at 0.50% to 0.80% while the 30-day rate ranged at 1.60% to 1.90%.

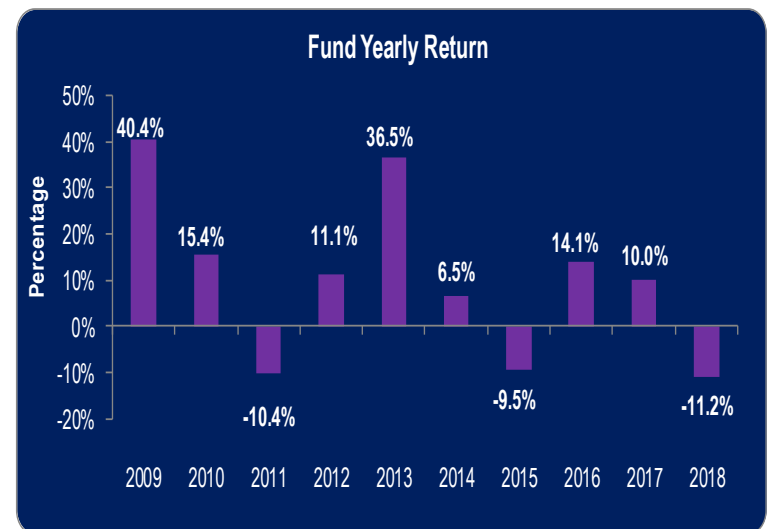
The US dollar fixed income market was also liquid during today’s (July 24, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Equity Corporate Class

This fund invests primarily in equity and equity-related securities of companies in the United States.

The fund has a 3 year return of 7.8% and a 5 year return of 3.6%. The Fund also has a 10 year return of 9.0%. Rates are as at June 30, 2019.



U.S.: U.S. Negotiators Heading to China Monday for Talks

“U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin are set to travel to China Monday for the first high-level, face-to-face trade negotiations between the world’s two biggest economies since talks broke down in May. The White House confirmed Wednesday an earlier Bloomberg report that senior officials will be in Shanghai next week to cover a range of issues including intellectual property, agriculture and the trade balance. President Donald Trump and Chinese counterpart Xi Jinping met at the Group of 20 summit in Japan last month and declared a tentative truce in their year-long trade war. The leaders directed their negotiators to resume trade talks. Since then Mnuchin, Lighthizer and their Chinese counterparts have spoken by phone. The Chinese requested that the meeting take place in Shanghai, rather than Beijing, Bloomberg reported Tuesday. The location has significance and symbolism for Chinese leaders, Mnuchin said in an interview with CNBC Wednesday. He also said the meeting will hopefully yield progress but that many issues remain. “My expectation is there’ll be a few more meetings before we get a deal done,” Mnuchin told reporters Wednesday in Washington. “My expectation is there’ll be a follow-up meeting back here shortly thereafter, assuming things go as we expect them to be.”

<https://www.bloomberg.com/news/articles/2019-07-23/u-s-negotiators-to-head-to-china-monday-for-face-to-face-talks?srnd=premium>

Europe: Bank of England Is Losing Credibility With the Public, BofA Says

“The Bank of England’s forecasts are losing authority with the public as well as markets, according to Bank of America Merrill Lynch. Almost half of the U.K. public have no idea where inflation will be in the next five years, a record high. Investors are betting that the next BOE move will be a rate cut even though the bank’s forecasts imply a need for hikes over the next few years. Households tend to base their expectations of inflation on the current rate, also taking into account the prices of everyday products such as food and gasoline. Until 2016, this view of inflation has largely coincided with BOE forecasts. After the Brexit referendum however, the two views of the economy began to diverge, as the public expected inflation to rise, while BOE predicted it would fall, economists led by Robert Wood wrote in a note dated July 22. “We’d rather have expectations a little above than below target in a world of limited monetary policy ammunition,” the economists wrote. “But the more expectations deanchor, the less room the BOE will have to fight the next recession.” Since the 2016 referendum, the BOE has based its inflation forecasts on the 100% probability of a Brexit deal. The markets, on the other hand, include a significant possibility of a no-deal Brexit, leading to disparate outlooks for borrowing costs. The BOE has forecast inflation will rise above its 2% target for two years, only to keep rates low, raising twice in the last sixteen quarters. BofA said that this has led to particularly difficult communication issues for the BOE, and could lead to more volatile monetary policy.”

<https://www.bloomberg.com/news/articles/2019-07-24/bank-of-england-is-losing-credibility-with-the-public-bofa-says?srnd=economics-vp>

PLATINUM PORTFOLIO

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.

Platinum Portfolio Yield Measures as at July 22, 2019

	Percentage (%)
Yield to Maturity	5.65
Weighted Average Coupon	5.514
Current Yield	4.87

The platinum portfolio has an effective maturity of 13.17 years and duration of 4.56 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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