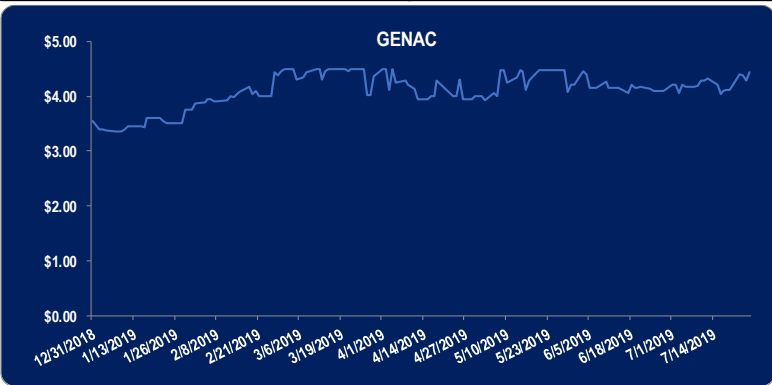




### LOCAL STOCK MARKET: (J\$) +

Stock Symbol	KPREIT	GENAC	WISYNCO	LASM	SJ
Current Price (\$)	5.75	4.43	25.74	4.20	57.08
Trailing EPS (\$)	0.03	0.29	0.75	0.26	3.66
P/E (times)	202.52	15.37	34.54	15.96	15.60
Projected P/E	72.21	14.73	33.63	15.29	15.03
Projected EPS (\$)*	0.08	0.30	0.77	0.27	3.80
Book Value per share (\$)	5.51	1.99	2.77	1.43	20.35
Price/Book Value (times)	1.04	2.22	9.29	2.94	2.80
Dividend Yield (2018 %)	0.98%	5.20%	1.13%	1.01%	3.37%
Volumes	13,100	239,128	642,312	69,177	26,252
Recommendation	SELL	BUY	SELL	BUY	HOLD



### STOCK OF THE DAY: General Accident Insurance Company Limited

For the three months ended March 31, 2019:-

General Accident Insurance Company Limited (GENAC) for the three months ended March 31, 2019, reported Gross premium written of \$2.69 billion, 22% higher than the \$2.21 billion reported for 2018. Reinsurance ceded rose 21% to close at \$2.11 billion relative to \$1.75 billion booked in 2018. Excess of loss reinsurance trended downwards by 2% to \$30.25 million (2018: \$30.77 million).

As a result, net premium written increased by 26% from \$430.59 million last year to \$543.08 million. Net changes in unearned premiums totaled \$57.72 million, 12% lower than the \$65.93 million recorded last year. Consequently, net premiums earned grew by 33% to a total of \$485.36 million compared to \$364.66 million for the prior year.

Commission income grew by 26%, year over year, from \$187.30 million in 2018 to \$236.18 million in 2019, while commission expenses increased by 25% from \$115.72 million to \$144.08 million. Claims expenses saw an increase of 19%, closing the quarter at \$294.21 million (2018: \$248.08 million), while management expenses climbed by 12% to total \$192.26 million compared to 2018's total of \$172.31 million. Underwriting profit for the quarter totaled of \$41.82 million, this compares to a loss of \$7.26 million booked for the first three months of 2018.

Investment income closed at \$31.01 million, a 28% decline when compared with last year's corresponding quarter of \$43.24 million, while other losses totaled \$24.46 million for the quarter, relative to an income of \$9.09 million in 2018. Other operating expenses grew by 11% to \$11.32 million relative to \$10.20 million in 2018.

Profit before taxation amounted to \$37.05 million (2018: \$34.88 million). Following taxes of \$6.17 million (2018: \$5.81 million), Net profit totaled \$30.87 million for the quarter, an increase of 6% compared to the \$29.07 million reported last year. Total comprehensive loss amounted to \$2.38 million (2018: \$32.73 million) for the quarter ended March 31, 2019.

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	138.600	103.490	136.4143	144.500	110.859	137.7211
CAN	103.800	81.836	101.3808	107.892	96.000	104.3681
GBP	171.600	134.807	167.3769	177.336	156.879	171.8725
EURO	151.250	118.827	146.0193	158.436	145.500	156.1804

\*Rates as at July 24, 2019

### MONEY MARKET

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

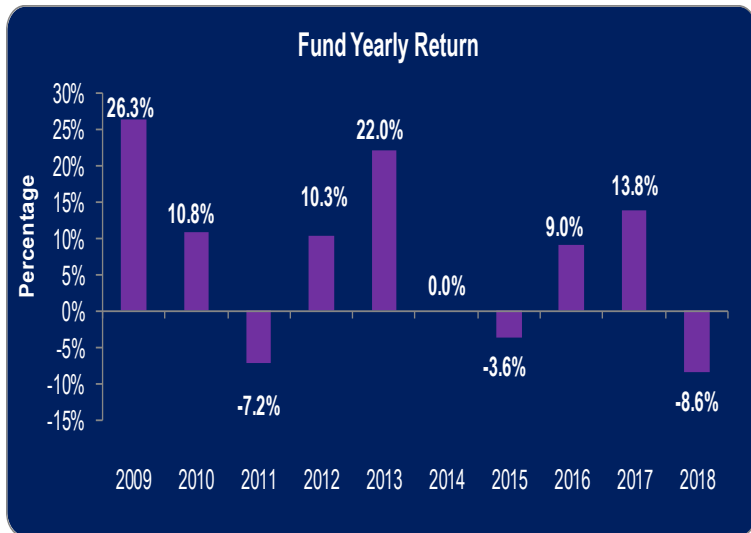
The US dollar fixed income market was also liquid during today's (July 25, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

### 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 7% and a 5 year return of 3.2%. The Fund also has a 10 year return of 7.2%. Rates



\*Prices are as at July 25, 2019 \*Projections are made to the company's financial year end

**U.S.: U.S. Business-Equipment Orders Jump by Most Since Early 2018**

“Orders placed with U.S. factories for business equipment posted the biggest gain in more than a year and shipments unexpectedly increased, suggesting corporate investment is regaining momentum despite tariffs and global weakness. A proxy for business investment -- non-military capital-goods orders excluding aircraft -- jumped 1.9% in June after a downwardly revised 0.3% increase in the prior month, according to Commerce Department figures Thursday that topped estimates. A separate Labor Department report showed filings for unemployment benefits fell last week to a three-month low, indicating the job market remains tight. The largest increase in equipment orders since February 2018 was broad-based and could ease concerns that the trade war with China and weakening global growth risk a deeper slowdown in the U.S. economy. Such strength, along with recent data showing firm consumer spending and job gains, may dissuade the Federal Reserve from continuing to cut interest rates after a widely anticipated quarter-point reduction next week. Shipments of business equipment also rose from the prior month, compared with projections for a drop, indicating that second-quarter gross domestic product due Friday may be better than previously expected. Analysts had projected an annualized GDP growth rate of 1.8%, down from 3.1% in the first three months of the year, on slowing business investment and a drag from inventories.”

<https://www.bloomberg.com/news/articles/2019-07-25/u-s-business-equipment-orders-jump-by-most-since-early-2018?srnd=economics-vp>

**Europe: ECB Signals Rate Cut, QE as Global Stimulus Push Picks Up**

“The European Central Bank sent its strongest signal yet that monetary support for the euro-area economy will be stepped up after the summer break, with lower interest rates and renewed asset purchases on the table. President Mario Draghi and fellow policy makers said on Thursday they expect borrowing costs to stay at present levels “or lower” through at least the first half of 2020, opening room for a September reduction in the deposit rate from the record low of minus 0.4%. Officials also signaled they will restart their bond-buying program if needed. Germany’s 10-year bond yield dropped to a record-low minus 0.42% and the euro slid 0.3% to as low as \$1.1108. Bank shares rallied as policy makers said they’ll consider measures to offset the squeeze on lenders’ profitability from negative rates. Draghi will explain the decision at 2:30 p.m. in Frankfurt. The ECB is changing tack -- just months after officials ended quantitative easing and started preparing to exit extraordinary stimulus -- amid a euro-area economic slowdown that has pushed inflation further below its goal, a shrinking manufacturing sector, and with risks such as global trade tensions still prominent. Other central banks are also turning dovish amid slowing global growth with the Federal Reserve expected to cut rates next week. Turkey delivered the biggest interest-rate cut in at least 17 years earlier Thursday. Australia’s central bank chief Philip Lowe said he’s ready to ease policy further if his back-to-back cuts fail to revive economic growth.”

<https://www.bloomberg.com/news/articles/2019-07-25/ecb-signals-rate-cut-qe-ahead-as-global-stimulus-push-picks-up?srnd=premium>

**PLATINUM PORTFOLIO**

**STRUCTURED PRODUCT**

**Platinum Portfolio Yield Measures as at July 22, 2019**

**Mayberry Gold**

	Percentage (%)
<b>Yield to Maturity</b>	<b>5.65</b>
<b>Weighted Average Coupon</b>	<b>5.514</b>
<b>Current Yield</b>	<b>4.87</b>

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.

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

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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