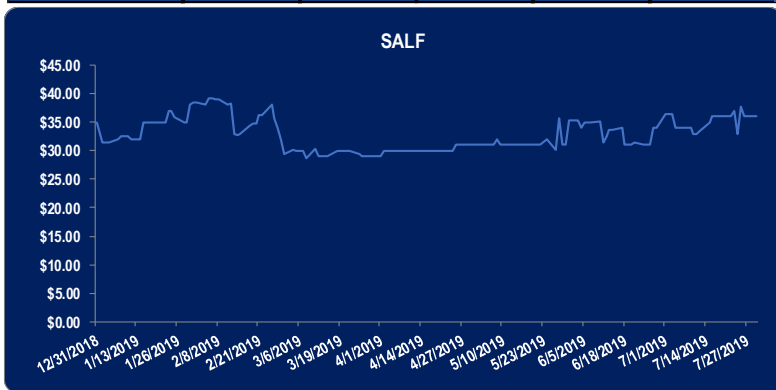


DAILY RECOMMENDATION



LOCAL STOCK MARKET: (J\$) +

Stock Symbol	SALF	SEP	WIG	TTECH	KREMI
Current Price (\$)	36.00	49.13	0.81	5.90	4.99
Trailing EPS (\$)	1.86	1.63	0.05	0.20	0.14
P/E (times)	19.37	30.06	16.07	29.00	35.03
Projected P/E	22.74	20.03	15.43	78.56	25.90
Projected EPS (\$)*	1.58	2.45	0.05	0.08	0.19
Book Value per share (\$)	9.01	20.48	0.37	1.89	1.92
Price/Book Value (times)	4.00	2.40	2.18	3.13	2.59
Dividend Yield (2018 %)	9.33%	3.17%	N/A	N/A	1.00%
Volumes	NIL	117,931	62,725,793	19,690	10,200
Recommendation	HOLD	HOLD	BUY	SELL	SELL



STOCK OF THE DAY: Salada Foods Jamaica Limited (SALF)

For the six months ended March 31, 2019:

Salada Foods Jamaica Limited (SALF), recorded a 3% increase in turnover for the six months to close at \$494.50 million (2018: \$482.27 million). For the second quarter, revenue amounted to \$322.17 million (2018: \$254.51 million), a 27% rise. Cost of sales for the period under review increased by 12% to close at \$326.83 million relative to \$291.04 million in 2018. As such, gross profit amounted to \$167.67 million, a 12% decline year over year from the \$191.23 million booked in the prior corresponding period. Gross profit for the second quarter posted a 25% growth to close at \$133.66 million (2018: \$106.76 million). Other operating income for the six months amounted to \$4.46 million relative to \$2.03 million in 2018. For the quarter, other operating income amounted \$4.46 million (2018: \$602,000).

Administrative expenses climbed by 12% to \$68.66 million (2018: \$61.06 million). The Company stated that, "this increase is attributable to staff related costs." Also, selling and promotional expenses inched up 1% from \$24.83 million in 2018 to \$25.13 million in 2019.

Consequently, this resulted in an operating profit of \$78.34 million, down 27% compared with the \$107.37 million reported for the corresponding six months in the prior year. Operating profit for the quarter recorded a 43% improvement to \$94.07 million (2018: \$65.78 million). The Company reported net finance loss of \$10.23 million for the period, this compares to net finance loss of \$52,000 for the same period in 2018. While, for the quarter, net finance loss closed at \$6.60 million versus net finance income of \$5.68 million reported in the prior comparable period. The Company mentioned that, "the large swings in the exchange rate continues to negatively impact gains on investments."

Profit before taxation fell by 37% to \$68.11 million versus \$107.32 booked for the previous year's corresponding period. For the quarter, profit before taxation went up 22% to close at \$87.47 million (2018: \$71.46 million).

Net profit for the six months declined 33%, from \$80.28 million in 2018 to \$53.77 million in 2019, following taxation of \$14.34 million (2018: \$27.04 million). Net profit for the quarter rose by 48% to \$76.85 million (2018: \$53.51 million). Net profit attributable to shareholders for the six months amounted to \$53.98 million relative to \$80.63 million twelve months earlier. Profit attributable to shareholders for the quarter amounted to \$76.96 million (2018: \$53.61 million).

FOREIGN EXCHANGE MARKET TRADING SUMMARY *

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted Average Rate	Highest	Lowest	Weighted Average Rate
USD	137.800	102.180	135.4177	141.480	103.490	137.0883
CAN	106.500	80.975	99.4741	107.190	81.672	102.6099
GBP	171.500	131.680	164.6691	175.824	155.600	168.2017
EURO	151.100	113.680	143.8063	157.680	141.000	154.9589

*Rates as at July 28, 2019

MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 30, 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%.

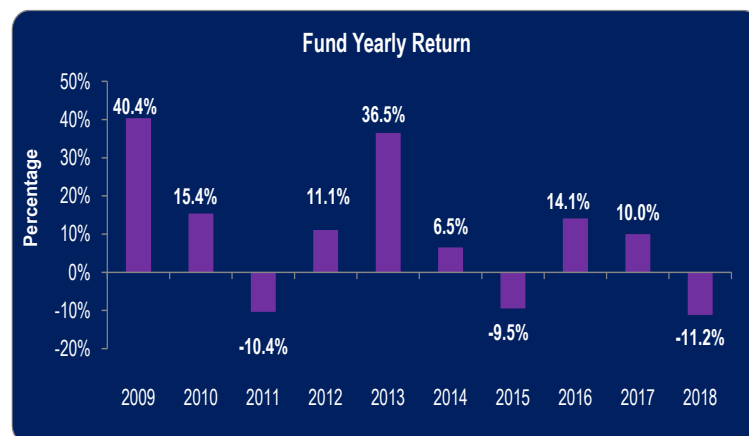
The US dollar fixed income market was also liquid during today's (July 30, 2019) trading session; The overnight market rates were quoted at 2.00% to 2.20% while the 30-day market rates stood at 2.40% to 2.70%.

OVER THE COUNTER FUNDS (CI FUNDS)

CI American Equity Corporate Class

This fund invests primarily in equity and equity-related securities of companies around the world.

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.: Trump Lashes Out at China ‘Rip Off’ Just as Trade Talks Resume

“President Donald Trump lashed out at China for what he said is its unwillingness to buy American agricultural products and said it continues to “rip off” the U.S., just as the two nations resumed negotiations in Shanghai following a three-month breakup. “China is doing very badly, worst year in 27 -- was supposed to start buying our agricultural product now -- no signs that they are doing so,” Trump said Tuesday on Twitter. “That is the problem with China, they just don’t come through.” Trump speaks outside the White House in Washington on July 30. Departing the White House later for Jamestown, Virginia, Trump told reporters “we’re either going to make a great deal or we’re not going to make a deal at all.” Trump said later Tuesday that he had spoken recently with Chinese President Xi Jinping without elaborating on when or the substance of the discussion. Trump said Beijing is willing to make concessions in trade talks but he’s not sure if he will accept them and that the decision on reaching a deal is up to him, not his Chinese counterparts. U.S. stocks pared losses as Trump said he spoke with Xi, though the S&P 500 Index remained on track for a second straight decline. Stocks slid earlier in the day after Trump criticized China. Trump said that the U.S. has “all the cards” and warned that if he’s re-elected in 2020 China faces a much tougher deal. He said “they always change the deal in the end to their benefit,” adding that “they should probably wait out our Election to see if we get one of the Democrat stiffis like Sleepy Joe.” That’s a reference to Democratic presidential candidate, former Vice President Joe Biden.”

<https://www.bloomberg.com/news/articles/2019-07-30/trump-cites-problem-with-china-on-trade-sending-futures-lower?srnd=premium>

PLATINUM PORTFOLIO

Platinum Portfolio Yield Measures as at July 29, 2019

	Percentage (%)
Yield to Maturity	5.63
Weighted Average Coupon	5.514
Current Yield	4.86

The platinum portfolio has an effective maturity of 13.20 years and duration of 4.58 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.

Europe: The Pound Is Now the Most Volatile Currency in the G-10

“The pound is buckling under concerns about Brexit, and the Bank of England may add further pressure to the currency when it meets this week. Sterling dropped as much as 0.8% against the dollar to 1.2119 on Tuesday, extending Monday’s 1.3% decline. The cost of insuring against volatility in the pound over a three-month period has climbed to the highest among the Group-of-10 currencies as concerns grow that U.K. Prime Minister Boris Johnson will opt for a no-deal Brexit. The central bank is also expected to signal that it is unlikely to raise interest rates in coming months, removing any support for the currency, which is trading at around the lowest since March 2017. Money markets are, in fact, pricing a more than 60% chance of a 25-basis point rate cut by December on concern the U.K. may exit the European Union without a divorce deal. That compares with just 20% in June, shortly after the central bank bucked global trends and cited the need to raise rates in coming years. “With Boris Johnson now installed as PM, the Brexit saga is set to recommence,” strategists at JPMorgan, including Meera Chandan, wrote in a client note. “The BOE’s shift toward a neutral bias -- all but giving up hopes for continued normalization -- will do little to support” the currency. JPMorgan sees policy makers lowering their growth outlook while moving further away from raising rates when they announce their decision and release their quarterly inflation report on Thursday. Three-month risk reversals for the pair slipped to 182 basis points in favor of selling sterling, the most bearish since April. The pound also fell against the euro and the yen. Gilts, meanwhile, are headed for a third monthly rally and strategists foresee the gains extending.”

<https://www.bloomberg.com/news/articles/2019-07-30/one-pound-prop-after-another-is-removed-as-brexit-risks-build?srnd=premium-europe>

STRUCTURED PRODUCT

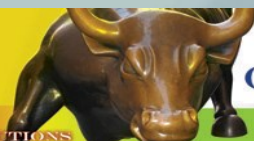
Mayberry Managed Equity Portfolio (MMEP)

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.

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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