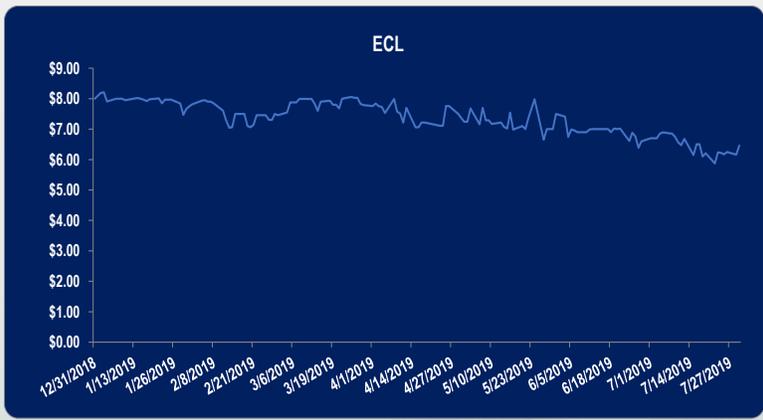




### LOCAL STOCK MARKET: (JS)<sup>+</sup>

Stock Symbol	AMG	ECL	JP	JSE	WIG
Current Price (\$)	2.32	6.68	29.27	29.50	0.84
Trailing EPS (\$)	0.07	0.30	0.80	0.67	0.05
P/E (times)	34.30	22.07	36.72	44.26	16.67
Projected P/E	24.48	21.14	33.96	41.81	16.00
Projected EPS (\$)*	0.09	0.32	0.86	0.71	0.05
Book Value per share (\$)	0.96	0.26	11.54	1.71	0.37
Price/Book Value (times)	2.42	25.62	2.54	17.21	2.26
Dividend Yield (2018 %)	N/A	13.14%	N/A	4.28%	N/A
Volumes	NIL	242,715	9,595	246,833	24,836,481
Recommendation	HOLD	BUY	SELL	SELL	BUY



### STOCK OF THE DAY: Express Catering Limited (ECL)

For the year ended May 31, 2019:-

Express Catering Limited (ECL) for the year ended May 31, 2019 reported a 10% increase in revenue to US\$17.32 million (2018: US\$15.71 million). Revenue for the quarter advanced 17% to close at US\$5.21 million relative to US\$4.44 million reported the previous year.

Cost of sales (COS) increased by 10% for the period to US\$5.07 million (2018: US\$4.60 million). As a result gross profit increased year-on-year by 10%, from US\$11.10 million in 2018 to US\$12.25 million in 2019. Gross profit for the fourth quarter improved from US\$1.62 million in 2018 to US\$1.82 million, a 20% increase year over year.

Total expenses increased by 15% for the period in review to US\$8.23 million for 2019, up from US\$7.15 million booked for 2018's year end. The rise was associated with a 15% increase in administrative expenses to US\$7.63 million from US\$6.61 million. Depreciation and Amortization saw an 8% increase to US\$554,827 compared to US\$511,804 for the comparable period in 2018. Promotional expenses also saw a 33% increase from US\$35,931 to US\$47,794. Total expenses for the fourth quarter climbed 31% to close at US\$2.19 million (2018: US\$1.67 million).

Consequently, operating profit for the period grossly increased by 2% to US\$4.02 million (2018: US\$3.95 million). Operating profit for the quarter totalled US\$1.21 million, a growth of 5% relative to US\$1.15 booked for the corresponding quarter of 2018.

Finance cost of US\$342,047 (2018: US\$341,131) was incurred for the period, while foreign exchange gain amounted to US\$50,565 relative to the loss of US\$44,379 booked in 2018.

Pre-tax profit for the year totalled US\$3.73 million, a 5% increase above the US\$3.56 million recorded for 2018. The was no tax for the FY2019, however, taxation for the FY2018 totalled US\$114,969. Consequently, net profit for the period amounted to US\$3.73million, an 8% increase above the US\$3.45 million recorded for 2018. For the quarter, net profit amounted to US\$1.18 million versus US\$925,167 booked for the comparable period in 2018, a 28% increase.

Earnings per share (EPS) for the year ended totalled US\$0.23 cents (2018: US\$0.21 cents). Earnings per share for the quarter amounted to US\$0.07 cents (2018: US\$0.06 cents). The number of shares used in the calculation was 1,637,500,000 units.

<sup>+</sup>Prices are as at July 31, 2019 \*Projections are made to the company's financial year end

### FOREIGN EXCHANGE MARKET TRADING SUMMARY \*

	PURCHASE RATE			SALES RATE		
	Highest	Lowest	Weighted	Highest	Lowest	Weighted
			Average Rate			Average Rate
USD	138.000	103.332	135.0796	141.480	102.400	136.6824
CAN	105.700	80.975	102.4419	107.300	95.000	103.7797
GBP	168.500	130.446	162.4297	173.752	153.950	166.9571
EURO	149.500	113.680	146.0595	156.600	144.300	152.2541

\*Rates as at July 30, 2019

### MONEY MARKET

The Jamaican dollar fixed income market was liquid in today's (July 31, 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 31, 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 Small Companies Fund

This fund invests primarily in equity and equity-related securities of small to mid-capitalization North American companies.

The fund has a 3 year return of 5.5% and a 5 year return of 3.3%. The Fund also has a 10 year return of 10.5%. Rates are as at June 30, 2019.



**U.S: Fed Cuts Rates, Powell Says Not Start of Long Series of Moves**

“The Federal Reserve reduced interest rates for the first time since the financial crisis in a move that Chairman Jerome Powell said was designed to “insure against downside risks” rather than signal the start of a lengthy cycle of monetary policy easing. We’re thinking of it as essentially in the nature of a mid-cycle adjustment to policy,” he told a press conference Wednesday following the decision. “It’s not the beginning of a long series of rate cuts,” he said, adding: “I didn’t say it’s just one” cut. Central bankers voted, with two officials dissenting, to lower the target range for the benchmark rate by a quarter-percentage point to 2%-2.25%. The shift was predicted by most investors and economists, yet will disappoint President Donald Trump, who tweeted on Tuesday he wanted a “large cut.” “In light of the implications of global developments for the economic outlook as well as muted inflation pressures, the committee decided to lower” rates, the Federal Open Market Committee, said in a statement following the two-day meeting in Washington. It also noted that “uncertainties” about the economic outlook remain, leaving the door open to further easing.”

<https://www.bloomberg.com/news/articles/2019-07-31/fed-looks-locked-in-for-quarter-point-cut-decision-day-guide?smd=premium>

**Asia: Asia's Growth Is Shifting Down a Gear**

“Economic growth in the euro area slowed dramatically in the second quarter, the latest in a string of reports flagging deteriorating economic prospects that increase the chance of more European Central Bank stimulus. Cooling momentum risks extending a phase of too-low inflation that’s worrying policy makers. At their last meeting, ECB officials ordered staff to study everything from interest-rate cuts to asset purchases as they look at ways to prop up the economy. The latest data showed the 19-nation region expanded 0.2% last quarter, down from 0.4% in the previous three months. That left year-on-year growth at 1.1%, its weakest in more than five years. Inflation slowed to 1.1% in July, the lowest since early 2018, and a gauge excluding volatile components such as food and energy was even weaker. The reports confirm a trend observed in some of the region’s largest economies. Growth slowed in France, Spain, Austria and Belgium and the economy stagnated in Italy.”

<https://www.bloomberg.com/news/articles/2019-07-31/euro-area-economy-left-struggling-as-growth-inflation-slow>

**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.

**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.

**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.

Source: www.jamstockex.com, www.bloomberg.com, www.investopedia.com, www.tradewire.com

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**

**MAYBERRY INVESTMENTS LIMITED**  
 A Member of the Jamaica Stock Exchange

1 ½ Oxford Road, Kingston 5, Jamaica. ☎ (876) 929 1908 – 9  
 research@mayberryinv.com • sales@mayberryinv.com • www.mayberryinv.com